

# MEETING: FULL COUNCIL OF GOVERNORS AGENDA

Date: Tuesday 13<sup>th</sup> August 2024

Time: 17:30 – 20:00

Venue: Lecture Theatre 2, Education Centre, King's Mill Hospital

	Time	Item	Status (Do not use NOTE)	Paper
1.	17:30	<b>Apologies for Absence</b> <i>Quoracy Check (50% of public Governors present)</i>	Agree	Verbal
2.	17:30	<b>Declarations of Interest</b> To declare any pecuniary or non-pecuniary interest <i>Check – Attendees to declare any potential conflict or items listed on the agenda to Head of Corporate Affairs &amp; Company Secretary on receipt of agenda, prior to the meeting.</i>	Declaration	Verbal
3.	17:30	<b>Minutes of the meeting held on 14<sup>th</sup> May 2024</b> <i>To be agreed as an accurate record</i>	Agree	Enclosure 3
4.	17:30	<b>Matters Arising/Action Log</b>	Approve	Enclosure 4
5.	17:35	<b>Patient Story – Family Liaison Service</b> Emma Mutimer-Hallgarth, Family Liaison Officer	Assurance	Presentation
6.	17:55	<b>Acting Chair's Report</b> Graham Ward, Acting Chair	Assurance	Enclosure 6
7.	18:00	<b>Acting Chief Executive's Report</b> Dave Selwyn, Acting Chief Executive	Assurance	Enclosure 7
8.	18:15	<b>Lead Governor Report</b> Liz Barrett, Lead Governor	Assurance	Enclosure 8
9.	18:20	<b>15 Steps Feedback</b> Emma Mutimer-Hallgarth, Family Liaison Officer	Assurance	Enclosure 9
10.	18:30	<b>Nursing Workforce Demographic</b> Rebecca Herring, Associate Director of Nursing Workforce	Assurance	Enclosure 10
11.	18:40	<b>Annual Report and Accounts 2023/2024</b> <ul style="list-style-type: none"> <li><b>Annual Report</b> Sally Brook Shanahan, Director of Corporate Affairs</li> <li><b>Annual Accounts</b> Rich Mills, Chief Financial Officer</li> </ul>	Assurance  Assurance	Enclosure 11.1  Enclosure 11.2
12.	18:50	<b>External Auditors</b> <ul style="list-style-type: none"> <li><b>Annual Audit Letter</b> Jess Townsend, KPMG</li> </ul>	Assurance	Enclosure 12

Version 3

	Time	Item	Status (Do not use NOTE)	Paper
		<ul style="list-style-type: none"> <li>○ <b>NEDs' re-appointment</b> Sally Brook Shanahan, Director of Corporate Affairs, and Liz Barrett, Lead Governor</li> <li>○ <b>Appointment of Vice Chair</b> Sally Brook Shanahan, Director of Corporate Affairs</li> </ul>	<p>Approve</p> <p>Approve</p>	<p>Enclosure 16.4.3</p> <p>Enclosure 16.4.4</p>
17.	19:50	<b>Outstanding Service – OPUS Music – Making music an intrinsic part of healthcare</b>	Assurance	Presentation
18.	19:55	<b>Questions from Members of Public</b> Graham Ward, Chair	Consider	Verbal
19.	19:55	<b>Escalations to the Board of Directors</b> Graham Ward, Chair	Agree	Verbal
20.	20:00	<b>Any Other Business</b> <i>(items to be notified to the Director of Corporate Affairs 3 clear working days before the meeting)</i>		
21.		<b>Date &amp; Time of Next Meeting</b> <b>Date:</b> Tuesday 12 <sup>th</sup> November 2024 <b>Time:</b> 5:30pm – 8:00pm <b>Venue:</b> Lecture Theatre 2, King's Mill Hospital		

COUNCIL OF GOVERNORS MEETING

**Unconfirmed** Minutes of the meeting held in public on 14<sup>th</sup> May 2024 at 17:30  
in Lecture Theatre 2, King's Mill Hospital

<b>Present:</b>	Claire Ward	Chair	CW
	David Walters	Appointed Governor	DWa
	Dean Wilson	Public Governor	DWi
	Ian Holden	Public Governor	IH
	Jane Stubbings	Public Governor	JS
	John Doddy	Appointed Governor	JDod
	John Dove	Public Governor	JDov
	John Wood	Public Governor	JWo
	Justin Wyatt	Staff Governor	JWy
	Kevin Stewart	Appointed Governor	KS
	Liz Barrett	Public Governor	LB
	Neal Cooper	Public Governor	NC
	Nikki Slack	Appointed Governor	NS
	Pam Kirby	Public Governor	PK
	Peter Gregory	Public Governor	PG
	Ruth Scott	Public Governor	RS
	Sam Musson	Staff Governor	SM
	Shane O'Neill	Public Governor	SO
	Tracy Burton	Public Governor	TB

<b>In Attendance:</b>	Paul Robinson	Chief Executive	PR
	Sally Brook Shanahan	Director of Corporate Affairs	SBS
	Barbara Brady	Non-Executive Director	BB
	Steve Banks	Non-Executive Director	SB
	Aly Rashid	Non-Executive Director	AR
	Neil McDonald	Non-Executive Director	NM
	Richard Cotterill	Associate Director of People	RC
	James Thomas	CDC Clinical Lead	JT
	Amanda Barrett	Project Manager	AB
	Sally Whittlestone	Corporate Matron	SW
	Kate Wright	Associate Chief AHP	KW
	Jim Milns	Associate Director of Transformation	JM
	Sue Bradshaw	Minutes	

<b>Apologies:</b>	Angie Jackson	Appointed Governor	AJ
	Linda Dales	Appointed Governor	LD
	Vikram Desai	Staff Governor	VD
	Graham Ward	Non-Executive Director	GW
	Andrew Rose-Britton	Non-Executive Director	ARB
	Manjeet Gill	Non-Executive Director	MG

<b>Absent:</b>	Steven Hunkin	Public Governor	SH
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Item No.	Item	Action	Date
<b>24/021</b>	<b>CHAIR'S WELCOME, APOLOGIES FOR ABSENCE AND QUORACY CHECK</b>		
1 min	<p>The meeting being quorate CW declared the meeting open at 17:30.</p> <p>It was CONFIRMED that apologies for absence had been received from:</p> <p>Angie Jackson, Appointed Governor Linda Dales, Appointed Governor Vikram Desai, Staff Governor Graham Ward, Non-Executive Director Andrew Rose-Britton, Non-Executive Director Manjeet Gill, Non-Executive Director</p>		
<b>24/022</b>	<b>DECLARATIONS OF INTEREST</b>		
1 min	CW declared an interest in item 24/034.1.		
<b>24/023</b>	<b>MINUTES OF THE PREVIOUS MEETING</b>		
1 min	Following a review of the minutes of the meeting held on 13 <sup>th</sup> February 2024, the Council APPROVED the minutes as a true and accurate record.		
<b>24/024</b>	<b>MATTERS ARISING FROM THE MINUTES/ACTION LOG</b>		
2 mins	<p><i>Action 24/007</i> – PR advised the Patient Experience Committee meets on a quarterly basis, with two meetings having been held since the Committee was established. An annual work plan is in place and the Committee reports into the Quality Committee. Plans are underway for a governor to be a member of the Patient Experience Committee.</p> <p>The Council AGREED this action was complete and could be removed from the action tracker.</p>		
<b>24/025</b>	<b>PATIENT STORY - THE COMMUNITY DIAGNOSTIC CENTRE – REDUCING WAITING TIMES FOR PATIENTS</b>		
27 mins	<p>JT, RC and AB joined the meeting.</p> <p>JT presented the patient story which highlighted the services currently being offered at The Community Diagnostic Centre (CDC) and gave a presentation outlining progress to date and future milestones for completion of the CDC.</p> <p>IH queried what the current position is in terms of funding for the CDC. PR advised the Trust did attract £5.5m per year for the first two years of the CDC as an early adopter. However, the funding has not been made available to the Trust as the activity is not focussed on a non-acute site. When the CDC opens, the Trust will be fully recompensed as the activity will then be on a non-acute site. The Trust has fought to try to obtain this funding.</p>		

	<p>RC advised the Trust has applied for NHS revenue funding to help with staffing costs and this has been provided. Where there have been slippages, this funding has been reallocated against the CDC budget. The Trust is trying to get services accredited in advance of the CDC opening. Therefore, the slippage monies have been reallocated to fund obtaining the relevant accreditations, thus ensuring the full allocation is utilised in the right way for the CDC.</p> <p>TB noted the increase in diagnostic activity the CDC will provide and queried if capacity and demand modelling for all other services, both internal and external to the Trust, has been undertaken. JT advised demand is not anticipated to grow any more than if the CDC was not in place. The building has been futureproofed so it can accommodate the predicted demand for the next five years. RC advised there will be a positive impact on waiting lists for diagnostic tests.</p> <p>TB advised other waiting lists are likely to grow as diagnostic activity increases. There is a need to increase other elements as more interventions are likely to be required. PR acknowledged the aim is to scan patients earlier and to detect and treat earlier. JT advised earlier testing means required interventions are likely to be less complex.</p> <p>JDov sought clarification if GPs will continue to undertake blood tests or if patients will be referred to the CDC. JT advised GPs should continue to undertake blood tests, noting this issue may require further discussion.</p> <p>RS advised she has experienced the current facilities at the CDC, noting how easy it was to park. Noting parking issues are a recurring theme during Meet Your Governor (MYG) sessions, RS felt parking facilities need to be factored into the plans.</p> <p>RS queried if patients will be attending both King's Mill Hospital and the CDC for endoscopy appointments. JT advised the CDC will replace the current mobile endoscopy facilities which are on site at King's Mill Hospital.</p> <p>RS queried if in future, where appropriate, patients will be able to get their test results at the same time as they attend for the test to be carried out. JT advised there will be two clinic rooms for this purpose. Patients will see a doctor, or specialist nurse, who will decide what tests are required. Patients will then have their test before going back to see the doctor for the results.</p> <p>IH felt it important capacity at Newark Hospital is taken into account. JT advised the Trust is promoting availability of tests at Newark Hospital as much as possible</p> <p>JT, RC and AB left the meeting.</p>		
<b>24/026</b>	<b>CHAIR'S REPORT</b>		
2 mins	CW presented the report, which provided an update regarding some of the most noteworthy events and items over the past quarter from the Chair's perspective, highlighting the recent Governor Conference.		

	The Council was ASSURED by the report.		
<b>24/027</b>	<b>CHIEF EXECUTIVE'S REPORT</b>		
6 mins	<p>PR presented the report, which provided an update regarding some of the most noteworthy events and items over the past quarter from the Chief Executive's perspective, highlighting the opening of the new Discharge Lounge, industrial action and opening hours of the Urgent Treatment Centre (UTC) at Newark Hospital. PR advised he will be taking a period of planned sick leave over the summer and David Selwyn, Medical Director and Deputy Chief Executive, will be Acting Chief Executive to cover this period, with Simon Roe, Deputy Medical Director, stepping in as Acting Medical Director.</p> <p>KS advised he had been informed at an MYG session that patients were having to wait a long time to see a doctor at the UTC and queried if the change to opening hours would improve this. PR advised waiting times at the UTC are very good against the national standard, with very few patients waiting over four hours. The Trust is mostly reporting 99% compliance with the 4-hour wait standard at the UTC.</p> <p>IH advised he had recently read an article in the Health Service Journal (HSJ) in relation to a potential cut to funding for mental health service support for staff. IH noted the Trust put a lot of support in place for staff during the Covid pandemic and queried if this is continuing. PR advised the wellbeing support package has continued. The Trust receives no direct funding specifically for the provision of wellbeing support. There are no plans to reduce the current offer.</p> <p>SB advised an internal audit report, looking at the provision of wellbeing support, was recently presented to the People Committee. This report provided significant assurance but there are two areas which require further work, namely timely access to psychology services and the ability for people in clinical roles to have time away from work to attend appointments.</p> <p>The Council was ASSURED by the report.</p>		
<b>24/028</b>	<b>LEAD GOVERNOR REPORT</b>		
3 mins	<p>LB presented the report, highlighting the Governor Conference, areas of focus for the future, workshop session on mortality and Step into the NHS event. LB thanked the governors for their support in undertaking 15 Steps, MYG sessions and other activities. On behalf of the governors, LB expressed thanks to Claire Ward for her time at the Trust and wished her well in her new role as Mayor for the East Midlands.</p> <p>The Council was ASSURED by the report.</p>		



24/029	15 STEPS FEEDBACK		
8 mins	<p>SW joined the meeting.</p> <p>SW presented the report, highlighting the number of visits undertaken, themes identified, issues identified during visits and outstanding actions.</p> <p>KS sought clarification regarding the outstanding actions and how these are followed up. SW advised she keeps a log of actions and is supported in this by the Patient Experience Team. When reports are received, SW advised they shared with the Ward Leader to ensure they are aware of any issues identified. SW advised she follows up any actions with the ward.</p> <p>KW joined the meeting.</p> <p>IH advised he has received anecdotal feedback from ward leaders that the Trust's workforce is much younger than it was a few years ago and staff lack 'basic nursing skills'. i.e. lack experience and confidence to speak to doctors, etc. IH queried if this loss of senior staff is recognised as an issue by the Trust. SW advised she would need to discuss this with the Divisional General Managers.</p> <p>KW advised some of these issues have been recognised within the younger Allied Health Professionals (AHP) workforce and Band 5 development days have been established to look at the fundamentals including how to escalate conversations and articulate on ward rounds. A fundamentals day for nursing teams has also been established to pick up issues.</p> <p>JD queried if there has been a change in the demographic of the workforce or if it is just an anecdotal observation.</p> <p>JWy advised, from his experience of working at different sites across the Trust, he has recognised a number of senior staff have left for various reasons and the workforce comprises of more junior and less experienced staff. While they have the right skills, experience has been lost and this takes time to reestablish.</p> <p>CW felt it would be useful for information in relation to the nursing workforce demographic to be presented to a future Council of Governors meeting.</p> <p><b>Action</b></p> <ul style="list-style-type: none"> <li><b>Information in relation to the nursing workforce demographic to be presented to a future Council of Governors meeting.</b></li> </ul> <p>PG advised he has had 15 Steps visits cancelled at short notice and received requests for visits to take place on a date he has previously informed the Trust he is not available and queried if this could be improved.</p>	SW & Chief Nurse	13/08/24



	<p>SW advised the senior nurse in the team manage the dates and times for visits to take place. SW advised she would send an e-mail out as a reminder of the need to manage visits efficiently.</p> <p>The Council was ASSURED by the report.</p> <p>SW left the meeting.</p>		
<b>24/030</b>	<b>QUALITY PRIORITIES</b>		
7 mins	<p>KW presented the report, advising it is a mandatory requirement for all trusts to complete an annual Quality Account. KW highlighted what needs to be included in the Quality Account and outlined the process which has been followed for producing the Quality Account at SFHFT. It was noted the quality priorities were agreed by the Quality Committee and these are outlined in the report.</p> <p>TB noted improvement is the biggest drive from a regional and national perspective and queried if this is a theme in the Quality Account. KW advised there are sections which look at priorities for improvement. In all sections, contributors are asked to review the previous year and outline how that will be improved on during the following year. The thread of improvement runs through the Account.</p> <p>TB queried if this follows a strategic framework or if it is more focussed on projects. KW advised the guidance is specific on what can and cannot be included in the account. However, where possible, the Trust assesses itself against the previous year's position.</p> <p>The Council was ASSURED by the report.</p> <p>KW left the meeting.</p>		
<b>24/031</b>	<b>IMPROVEMENT FACULTY UPDATE</b>		
15 mins	<p>JM joined the meeting.</p> <p>JM presented the report, highlighting reflections on work undertaken over the past 12 months, development of a Continuous Quality Improvement Strategy and establishment of the Improvement Cabinet.</p> <p>IH noted previously staff have had to attend multiple meetings, which have sometimes been held at the same time, leading to conflicting demands. IH queried if the demands placed on staff have been simplified. JM advised the creation of the Improvement Faculty provides a single point of contact, advising previously there were multiple points of contact and support was often provided based on who was approached, rather than what was required. JM expressed the view the myriad of governance which underpins major programmes is correct. The Improvement Cabinet supersedes a cabinet which was in existence and, therefore, is not an additional requirement.</p> <p>PR advised work is currently underway looking at governance and meeting structures to identify if meetings can be streamlined.</p>		

	<p>RS queried if the Improvement Advisory Group is working with community partners, GPs and the broader Integrated Care System (ICS). JM advised this is an internal group, but it is in the process of proactively engaging with wider community partners. There is a need to work with partners to get the patient pathways right and there is a need to harness the relevant expertise.</p> <p>RS queried if there is a mechanism to get the views of people with different needs, for example, the deaf community and people with learning disabilities, when considering improvement. JM advised there is currently one person working with the team, focussing on engaging with the wider health and social care economy. There is a need to engage with different groups.</p> <p>TB felt the whole Trust needs to understand progress in relation to the improvement journey in order to be engaged. In terms of the patient journey, it would be useful to have a community practice in improvement. JM advised, in terms of wider engagement, he has attended various forums within the Trust and the message is to 'make it simple'. Success could be defined as creating an environment in the organisation where people can come to work curious about how they can do their job better and be given the freedom to be curious. 300 people have been through the Quality, Service Improvement and Redesign (QSIR) training and there is a need to harness their skills. Work is underway to establish a QSIR network, which will provide a forum for people to come together and share ideas.</p> <p>The Council was ASSURED by the report.</p> <p>JM left the meeting.</p>		
<b>24/032</b>	<b>FIT AND PROPER PERSON ANNUAL REPORT</b>		
6 mins	<p>SBS presented the report, advising an updated framework came into force on 30<sup>th</sup> September 2023. SBS highlighted the actions taken by the Trust in response to the requirements set out in the framework. The first annual submission under the new framework is due on 30<sup>th</sup> June 2024 and it was noted further work is required before the submission can be made. SBS advised there are no concerns in relation to members of the Board of Directors meeting the Fit and Proper Person Test requirements.</p> <p>To provide further assurance, an internal audit review of the process will be undertaken. In addition, it is proposed the application of the Fit and Proper Person Test requirements be extended to designed deputies of the Executive Directors.</p> <p>The Council was ASSURED by the report.</p>		

24/033	<b>REPORT FROM BOARD SUB-COMMITTEES</b>		
25 mins	<p><b>Audit and Assurance Committee (AAC)</b></p> <p>NM presented the report to the Council, highlighting the conflicts of interest process, progress on producing the annual report and accounts, Head of Internal Audit Opinion, implementation rate for Internal Audit actions and review of the Committee effectiveness process.</p> <p>SBS advised, following a discussion with 360 Assurance, she has been informed the Trust will get Significant Assurance for the Head of Internal Audit Opinion.</p> <p>IH advised the AAC is a strong Committee which continues to have a good level of challenge. Feedback from the external auditor at the last meeting was that the year end processes are operating well, papers are being provided in a timely manner and processes working correctly to enable the audit to proceed effectively. However, financial challenges remain. In terms of Committee effectiveness, IH requested governor's views to be sought.</p> <p><b>Quality Committee</b></p> <p>AR presented the report to the Council, highlighting sepsis, Hospital Standardised Mortality Ratio (HSMR) and breast services.</p> <p>PK advised the reports which are presented to the Committee are very detailed and lengthy. However, the Committee picks out the pertinent details to focus on. There is good challenge and questioning during meetings.</p> <p>PG agreed the meetings are detailed and lengthy. There is appropriate challenge. However, PG felt it is not easy to identify if items need to be passed to other committees for triangulation. NM advised there is a section on the committee highlight reports which identifies items for consideration by other committees.</p> <p><b>Finance Committee</b></p> <p>NM presented the report to the Council, highlighting the Financial Improvement Programme, funding for the CDC and deep dives commissioned.</p> <p>KS felt the Committee is well chaired by GW. NM brings external experience to the meeting and challenges the 'norms' of the NHS.</p> <p>SM advised there is healthy challenge from the Non-Executive Directors.</p> <p><b>People Committee</b></p> <p>SB presented the report to the Council, highlighting Staff Survey results, employee relations cases and the Violence and Aggression Improvement Plan.</p>		

	<p>DW advised the presenters are well briefed and professional and the Committee is well run. The Staff Survey results are excellent.</p> <p>KS advised he was part of an update with the End of Life Team on 13<sup>th</sup> May 2024 and noted there is currently a push to provide more end of life training for nursing staff to equip them with the necessary skills. KS queried if the Committee could support the Team with this. SB advised he would discuss this with Rob Simcox, Director of People.</p> <p><b>Action</b></p> <ul style="list-style-type: none"> <li><b>Consideration to be given to how the People Committee can support the End of Life Team in their aim to increase the end of life training provision for nursing staff.</b></li> </ul> <p><b>Partnerships and Communities Committee</b></p> <p>BB presented the report to the Council, highlighting the ongoing challenge of the resources required to support partnership work.</p> <p>TB advised the meeting was very interesting and noted the amount of work underway. There was a good level of scrutiny and challenge at the meeting.</p> <p>JDov advised there was a lot of experience and knowledge in the meeting, which was well chaired by BB.</p> <p>The Council was ASSURED by all Board Sub Committees' reports.</p>	SB	13/08/24
24/034	<b>COUNCIL OF GOVERNORS MATTERS / STATUTORY DUTIES</b>		
8 mins	<p><b><u>Report of the Remuneration Committee</u></b></p> <p><b>Chair's Appraisal</b></p> <p>CW left the meeting.</p> <p>BB presented the report, outlining the process for undertaking the Chair's appraisal and advising this was a positive appraisal for CW. The Chair's objectives for 2024/2025 have been set and given CW will now be leaving the Trust, these will pass over to the Acting Chair.</p> <p>LB thanked governors for their contributions to the Chair's appraisal.</p> <p>The Council APPROVED the Chair's appraisal for 2023/2024 and objectives for 2024/2025</p> <p>CW rejoined the meeting.</p> <p><b>Appointment of Vice Chair as Acting Chair</b></p> <p>SBS presented the report, which recommended the approval of the appointment of Graham Ward, Vice Chair, to the post of Acting Chair for a period of 12 months. In addition, approval was sought to recruit a Non-Executive Director with a strong accountancy/finance skillset.</p>		

	The Council APPROVED the appointment of Graham Ward, Vice Chair, to the role of Acting Chair for a period of 12 months, commencing on 25 <sup>th</sup> May 2024 and the recruitment of a Non-Executive Director with a strong accountancy/finance skillset.		
<b>24/035</b>	<b>OUTSTANDING SERVICE – MEALTIME VOLUNTEERS – SUPPORTING NUTRITION AND HYDRATION ACROSS THE TRUST</b>		
5 mins	A short video was played highlighting the work of the volunteers in supporting patients at mealtimes across the Trust.		
<b>24/036</b>	<b>QUESTIONS FROM MEMBERS OF PUBLIC</b>		
	No questions were raised.		
<b>24/037</b>	<b>ESCALATIONS TO THE BOARD OF DIRECTORS</b>		
2 mins	<p>The Council AGREED the following escalations to the Board of Directors meeting:</p> <ul style="list-style-type: none"> <li>• Appointment of Graham Ward as Acting Chair and agreement for the recruitment of a new Non-Executive Director.</li> <li>• Chair's appraisal.</li> <li>• Quality Account priorities.</li> <li>• Assurance required nursing staff have the appropriate level of skills.</li> </ul>		
<b>24/038</b>	<b>ANY OTHER BUSINESS</b>		
1 min	No other business was raised.		
<b>24/039</b>	<b>DATE AND TIME OF NEXT MEETING</b>		
	<p>Date: Tuesday 13<sup>th</sup> August 2024 Time: 17:30 Venue: Lecture Theatre 2, King's Mill Hospital</p> <p>There being no further business the Chair declared the meeting closed at 19:30.</p>		
	<p>Signed by the Chair as a true record of the meeting, subject to any amendments duly minuted.</p> <p><b>Graham Ward</b> <b>Acting Chair</b></p> <p><b>Date</b></p>		

**Attendance at Full COG (scheduled meetings)**

NAME	AREA COVERED	CONSTITUENCY	FULL COG MEETING DATES				TERMS OF OFFICE	DATE ELECTED	TERM ENDS
			14/05/2024	13/08/2024	12/11/2024	Feb 2025			
Angie Jackson	Mansfield District Council	Appointed	A				4	23/05/23	31/05/27
David Walters	Ashfield District Council	Appointed	P				1	23/04/20	31/05/24
Dean Wilson	Rest of East Midlands	Public	P				3	06/07/23	31/10/26
Ian Holden	Newark & Sherwood	Public	P				3	01/05/22	30/04/25
Jane Stubbings	Rest of East Midlands	Public	P				3	01/05/22	30/04/25
John Doddy	Nottinghamshire County Council	Appointed	P				4	14/07/21	31/05/25
John Dove	Rest of East Midlands	Public	P				3	07/07/23	06/07/26
John Wood	Rest of East Midlands	Public	P				3	01/05/22	30/04/25
Justin Wyatt	Staff	Staff	P				3	01/05/22	30/04/25
Kevin Stewart	Volunteers	Appointed	P				3	28/02/23	28/02/26
Linda Dales	Newark & Sherwood District Council	Appointed	A				1	15/07/21	31/05/24
Liz Barrett	Rest of East Midlands	Public	P				3	01/05/22	30/04/25
Neal Cooper	Rest of East Midlands	Public	P				3	13/05/22	30/04/25
Nikki Slack	Vision West Notts	Appointed	P				N/A	17/07/19	N/A
Pam Kirby	Rest of East Midlands	Public	P				3	07/07/23	06/07/26
Peter Gregory	Newark & Sherwood	Public	P				3	07/07/23	06/07/26
Ruth Scott	Rest of East Midlands	Public	P				3	01/05/22	30/04/25
Sam Musson	Staff	Staff	P				3	07/07/23	06/07/26
Shane O'Neill	Newark & Sherwood	Public	P				3	07/07/23	06/07/26
Steven Hunkin	Rest of East Midlands	Public	X				3	07/07/23	06/07/26
Tracy Burton	Rest of East Midlands	Public	P				3	07/07/23	06/07/26
Vikram Desai	Staff	Staff	A				3	01/05/22	30/04/25

P = Present  
A = Apologies  
X = Absent

Council of Governors Action Tracker

Key	
Red	Action Overdue
Amber	Update Required
Green	Action Complete
Grey	Action Not Yet Due

Item No	Date	Action	Committee	Sub Committee	Deadline	Exec Lead	Action Lead	Progress	Rag Rating
24/029	14/05/2024	Information in relation to the nursing workforce demographic to be presented to a future Council of Governors meeting	Council of Governors	None	13/08/2024	S Whittlestone & P Bolton		On agenda for August CoG <b>Complete</b>	Green
24/033	14/05/2024	Consideration to be given to how the People Committee can support the End of Life Team in their aim to increase the end of life training provision for nursing staff	Council of Governors	People Committee	13/08/2024 12/11/2024	S Banks		<b>Update 31/07/2024</b> Paper re End of Life training going to People Cabinet, probably in August, and may then go to people Committee for consideration.	Grey



**Council of Governors - Cover Sheet**

<b>Subject:</b>	Acting Chair's report				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Rich Brown, Head of Communication					
<b>Approved By:</b>	Graham Ward, Acting Chair					
<b>Presented By:</b>	Graham Ward, Acting Chair					
<b>Purpose</b>						
An update regarding some of the most noteworthy events and items over the past quarter from the Acting Chair's perspective, covering the period to June to August 2024.					<b>Approval</b>	
					<b>Assurance</b>	
					<b>Update</b>	Y
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
Y	Y	Y	Y	Y	Y	
<b>Principal Risk</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					
<b>PR2</b>	Demand that overwhelms capacity					
<b>PR3</b>	Critical shortage of workforce capacity and capability					
<b>PR4</b>	Failure to achieve the Trust's financial strategy					
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					
<b>PR7</b>	Major disruptive incident					
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>						
None						
<b>Acronyms</b>						
ADHD = Attention Deficit Hyperactivity Disorder CEO = Chief Executive Officer EMCCA = East Midlands Combined County Authority ICB = Integrated Care Board ICS = Integrated Care System						
<b>Executive Summary</b>						
An update regarding some of the most noteworthy events and items over the past quarter from the Acting Chair's perspective.						

## Meetings with other Chairs across the Nottingham and Nottinghamshire Integrated Care System

As part of my induction into my new role as the Trust's Acting Chair, I have been meeting with Chairs and other key stakeholders from across the Nottingham and Nottinghamshire Integrated Care System (ICS).

Those meetings have been a vital part of strengthening the Trust's relationships across the local health and care system, as part of the commitment to work collaboratively with partners in the community that is woven into our five-year Trust Strategy.

During June and July, I have held meetings with:

- Nick Carver (Chair, Nottingham University Hospitals)
- Amanda Sullivan (CEO Nottingham & Nottinghamshire ICB)
- Dale Bywater (Regional Director)
- Kathy McLean (Chair Nottingham & Nottinghamshire/Derby ICB)
- Suzy Brain-England (Chair, Doncaster & Bassetlaw)
- Sabrina Taylor (CEO, Healthwatch)
- Mahmud Nawaz (Chair, Chesterfield Royal Hospitals)
- Paul Devlin (Chair, Nottinghamshire Healthcare)

We have also enjoyed our most recent catch-up with colleagues from Newark and Sherwood District Council, where it has been great to see their focus on improving the health of their local population continuing. I also attended the Midlands Chairs Monthly Update Call.

I look forward to continuing those meetings to further strengthen those relationships over the coming weeks and months.

## Celebrating the contributions of our brilliant volunteers during National Volunteers Week

Between Monday 3<sup>rd</sup> and Sunday 9<sup>th</sup> June 2024, Sherwood Forest Hospitals was delighted to join the 40<sup>th</sup> anniversary celebrations of National Volunteers Week - including to celebrate and say 'thank you' to the Trust's 380 volunteers.

The national awareness week helps to highlight the contribution volunteers make to local communities, including the part they play in making great patient care happen across our hospitals.

There are 35 different volunteer roles across a range of services at the Trust's King's Mill, Newark and Mansfield Community Hospitals, which include wayfinding, assisting in wards and clinics, providing support at mealtimes, and working in the busy volunteer refreshment areas.

Volunteers provide an invaluable service to the Trust and help to deliver outstanding care, including by contributing over 50,000 hours per year. In June alone, 375 Trust volunteers generously gave over 4,550 hours of their time to help make great patient care happen across the 35 services they have supported during the month.

The month was a fantastic opportunity to shine a light on some brilliant stories from across our hundreds of volunteers - including the story of sisters Lorraine Shereston, Christine Henderson, and Val Grove who all give their free time to volunteer at Newark Hospital.

After working in the NHS for 33 years and at Newark Hospital, Val decided she wanted to give back and fill her time so took up volunteering at the Trust. This encouraged her sisters to do the same after they both retired, as Christine retired from her role working with young people with disabilities and Lorraine from her role as a nurse working with patients who have learning disabilities.



**Sisters Lorraine, Christine and Val were celebrated during National Volunteers Week**

To celebrate National Volunteers Week, volunteers at the Trust's three sites were given cakes kindly provided by the volunteers from Academy Transformation Trust Further Education (ATTFE) College, and arranged by Principal Liz Barrett, who is also the Lead Governor of Sherwood Forest Hospitals. We are grateful to the Trust for their support for our brilliant volunteers.

### **Recognising the difference made by our Trust Charity and Trust volunteers**

Elsewhere, July was another busy month for the Trust's Community Involvement team, both in how they encouraged financial donations to be made via our Trust Charity and through the thousands of hours that continue to be committed to support the Trust by our volunteers across our hospitals.

In July 2024 alone, 379 Trust volunteers generously gave over 4,600 hours of their time to help make great patient care happen across the 35 services they supported during the month.



**New recliner chairs are presented to the Medical Day Case Ward at Newark Hospital**

Notable events from the Trust's Community Involvement team, our Sherwood Forest Hospitals Charity and our team of Trust volunteers over the past month have included:

- Our fundraising partners, the Friends of Newark Hospital, have provided funding to two schemes at Newark Hospital over the past month.

Their first donation contributed to improvements to our Teledermatology service, which aims to provide a much faster diagnosis for patients with suspected skin cancer. That funding has provided the service with patient seating and desks for the medical photographers who help run the service.

In addition, six recliner chairs have been provided to the Medical Day Case Unit at Newark Hospital to give patients extra comfort while receiving their treatment.

We are so grateful for their support in making improvements to our services.

- The Trust has welcomed eight new volunteers to the Trust during July, including Vaishali. Vaishali joined us as a volunteer at Newark Hospital to gain experience of hospital life to support her application to study medicine or biochemistry.

We wish Vaishali and all our new volunteers a very warm welcome to #TeamSFH.

- Colleagues on Ward 25, the children's ward at King's Mill Hospital, recently received a donation from a kind-hearted 11-year-old called Sam Jones.

Sam has made it his mission to donate to 11 worthy charities in 11 months in memory of his dad, Tom Jones, who passed away from cancer in 2021.

Naming his fundraising efforts Sam's 11:11, Sam has attention deficit hyperactivity disorder (ADHD) and his mum, Nicola Jones, described this project a great way to focus his energy into something positive.

The project started with a sweet stall in his front garden, when he decided he wanted to donate money to cancer research. It has since grown to the 11:11 project, where he committed to donating money to a different charity of his choosing each month.

So far, he has raised over £9,000 in ten months, including a donation of £920 to the Children's Ward at King's Mill Hospital via the Sherwood Forest Hospitals Charity.

Those vital funds have been used to purchase a large amount of toys for the ward and craft materials for teenage mental health patients to be used as part of their therapy. Sam also gained a donation of books from *The Works*, which was gifted to the unit.

The generous 11-year-old specified that £100 of the donation went to staff on the unit and this has been used to buy lots of lovely things for the staff room, such as new Tupperware and coffee pods for the coffee machine.

Sam is such an inspirational young man and his donation will make such a big difference to young people staying on the ward and the staff who provide the vital care there.

- We have also shared our grateful thanks to Judith, Angela and other members of the Newark Sewing Group (pictured below) who have kindly donated a large number of mastectomy cushions to provide patient comfort following surgery.



**Vaishali has joined the Trust's team of dedicated at Newark Hospitals during July**



**Sam Jones receives a certificate recognising his donations to Ward 25**





David, one of the Trust's volunteers, was very happy to receive his 15-year long service award from Karen Meikle during July, pictured right.

David is a constant support to our buggy and way-finder services, where he has proven himself to be totally committed to providing good care for our patients and visitors.

We thank him for his continued outstanding service.

- The Theatres department at King's Mill Hospital was delighted to receive a Sound Ear Pro device, which was funded by the Sherwood Forest Hospitals Charity during the month.

The equipment is used to detect noise levels in the area and help keep the recovery area a calm and peaceful environment for patients recovering from surgery.

This is just the latest example of the life-changing difference that the Sherwood Forest Hospitals Charity makes to improving patient and colleague experience here at Sherwood. We are grateful to them for their continued support.



## Other notable engagements from the past quarter:

- On Thursday 6<sup>th</sup> June 2024, I was delighted to meet with a number of Trust colleagues to mark the 80th anniversary of D-Day. I was grateful to the time spent with Brent Gillicker, a former submariner who now works in the Trust's Theatres team, who shared his experiences of life in the Forces and adjusting to life here at Sherwood.

Brent's journey from the Forces to settling into life here at Sherwood is a journey shared by many Trust colleagues - and one that we are looking to actively encourage more reservists and Forces veterans to do, recognising the wealth of transferrable skills they can bring to our Trust.

I am delighted that the Trust is strengthening its commitment to supporting our serving and former Forces colleagues and their families.



**Joining the Trust's Acting Medical Director, Simon Roe (left), and Brent Gillicker from the Trust's Theatres team to mark the 80th anniversary of D-Day**



- It was also my pleasure to present a number of Trust colleagues with Long Service awards during June, recognising their dedication and long service to working across our Trust sites. It was a pleasure to hear their stories and I thank them all for their contributions here at Sherwood.
- I also joined the Trust's Director of Nursing for its Surgery Division, Trevor Hammond, to complete a '15 Steps' tour of the Trust's 'Care of the Elderly' inpatient service on Ward 52 at King's Mill Hospital.

These visits are a vital part of our Trust Board gaining valuable insights by seeing Trust services closely for themselves. I am grateful to everyone in the team who accommodated the visit around their busy work.

- On 18<sup>th</sup> June 2024, I joined the Chief Executive and Leader at Ashfield District Council for our quarterly catch-up where we discussed how the two organisations can strengthen our working relationship. together.
- I have taken part in my latest walkaround of the Trust alongside Roz Norman, the Trust's Staff Side representative. During that engagement, we visited the mattress sterilising, catering and medical engineering teams. I am grateful to everyone who welcomed us during our visits.
- During July 2024, I also visited our Research and Innovation team who showed-off their brilliant work which includes designing the layout for the forthcoming ward area with beds and seating areas to help them to conduct more research within ward environments.



**Council of Governors - Cover Sheet**

<b>Subject:</b>	Acting Chief Executive's report				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Rich Brown, Head of Communication					
<b>Approved By:</b>	David Selwyn, Acting Chief Executive					
<b>Presented By:</b>	David Selwyn, Acting Chief Executive					
<b>Purpose</b>						
An update regarding some of the most noteworthy events and items over the past quarter from the Acting Chief Executive's perspective, covering the period to June to August 2024.					<b>Approval</b>	
					<b>Assurance</b>	
					<b>Update</b>	Y
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
Y	Y	Y	Y	Y	Y	
<b>Principal Risk</b>						
<b>PR1</b> Significant deterioration in standards of safety and care						
<b>PR2</b> Demand that overwhelms capacity						
<b>PR3</b> Critical shortage of workforce capacity and capability						
<b>PR4</b> Failure to achieve the Trust's financial strategy						
<b>PR5</b> Inability to initiate and implement evidence-based Improvement and innovation						
<b>PR6</b> Working more closely with local health and care partners does not fully deliver the required benefits						
<b>PR7</b> Major disruptive incident						
<b>PR8</b> Failure to deliver sustainable reductions in the Trust's impact on climate change						
<b>Committees/groups where this item has been presented before</b>						
Not applicable						
<b>Acronyms</b>						
BMA = British Medical Association CQC = Care Quality Commission GP = General Practice ICB = Integrated Care Board IPR = Integrated Performance Report MP = Members of Parliament NHS = National Health Survey PLACE = Patient-Led Assessment of the Care Environment SDEC = Same Day Emergency Care VCHA = Veterans Covenant Healthcare Alliance						
<b>Executive Summary</b>						
An update regarding some of the most noteworthy events and items over the past quarter from the Acting Chief Executive's perspective, covering the period to June to August 2024.						

## Operational updates

### Overview of operational activity, including industrial action updates

It has been another challenging quarter across our hospitals, where we continue to experience winter-like pressures across our services. Those challenges have seen the Trust enact its Full Capacity Protocol on multiple occasions during the month to ensure that additional hospital beds are available to ensure that patients can continue to access the care they need in as timely way as possible.

Those pressures are being particularly hard-felt in our Emergency Department at King's Mill Hospital and our Urgent Treatment Centre at Newark Hospital, where the number of attendances to our Emergency Department has increased by 12% year-on-year during the first quarter of the financial year - 11% greater than planned. Those pressures have increased both from patients arriving by ambulance and self-attending our Urgent and Emergency Care department.

For non-elective admissions, where demand is 13% above plan and 14% compared to Q1 last year, has placed pressure on our clinical teams and our services. This pressure has been sustained for many months with patient demand often exceeding the capacity of our hospitals, resulting in escalation actions in place to support patient care.

Despite the challenges, that are several areas where our performance compares favourably across the NHS and these successes are to be celebrated.

I am grateful to all our Trust and system colleagues who have worked to manage the pressures we have been facing across our services over the past month.

A more comprehensive statistical breakdown of the Trust's performance was shared in the Integrated Performance Report (IPR) at August's Public Meeting of the Trust's Board of Directors.

Planning efforts are also well underway to prepare the Trust to deal with the additional seasonal pressures that we also see each year during winter, which will involve working closely with health and social care colleagues across the county to help manage those pressures together.

### Industrial action update

Rising demand for our services has been compounded over the past month by multiple periods of industrial action that create additional complexity in managing the numbers of patients accessing our services.

During July, the Trust was affected by further periods of industrial action across its services - both from Medirest colleagues and from the industrial action called by the British Medical Association (BMA).

The most recent BMA industrial action took place between 7am on Thursday 27<sup>th</sup> June 2024 and 7am on Tuesday 2<sup>nd</sup> July 2024, resulting in 487 appointments, operations and procedures being postponed here at Sherwood to allow us to focus on providing safe urgent and emergency care to patients.

Despite those challenges, we managed to deliver 4,645 appointments, operations and procedures during that period. I am grateful to colleagues who worked to ensure that patients could continue to access the care they needed throughout that time.

Financially, the cost of the past year's industrial action now runs to over £8.9million here at Sherwood alone. That figure accounts for the spend to cover lost shifts, lost income opportunities and missed efficiency-saving opportunities. To date, the Trust has received £4.7million of national funding to mitigate the impact of this.

Separately, Medirest colleagues who are members of the GMB Union have engaged in multiple periods of industrial action. We are pleased to hear that industrial action from Medirest colleagues has been placed on hold while their members consider an offer to hopefully bring this industrial action to an end.

Operational planning has been continuing throughout the month to minimise the impact of that industrial action, as well as to plan for further periods of industrial action that may be called over the coming months.

We continue to hope for a speedy resolution to these national disputes that continue to have a real impact here at Sherwood and across our NHS and we watch with interest in the hope that the change in government will bring the resolution that we are all hoping for.

Those pressures are expected to be compounded from August onwards when General Practice (GP) colleagues across the country have begun taking part in 'collective action' as an equivalent to industrial action. We are continuing to monitor the impact of this on our services here at Sherwood.

### **Integrated Care Board 'at a glance' report shared**













The Nottingham and Nottinghamshire Integrated Care Board (ICB) has shared its monthly 'at a glance' report to give a high-level overview of performance and assurance across the Nottingham and Nottinghamshire health and social care system. Their report is included for information below.

The report highlights a number of areas of concern for the system which the Trust will continue to play its part in helping to manage and mitigate the impact of the risks highlighted, with Board oversight of these issues being maintained through the Trust's Integrated Performance Report that continues to be regularly presented to the Trust's Board of Directors:

# At a glance Status report July 2024



**RED:** Urgent, additional actions required, significant risks **AMBER:** Further actions required to manage identified risks, work in progress **GREEN:** on track, all required actions in place at the current time or plans in place

Managing today		Making tomorrow better	
<b>Timely access to care</b>  <ul style="list-style-type: none"> <li>Significant focus on UEC flow remains, but some encouraging improvements – continued improvements in 4 hour and 12-hour ED waits</li> <li>Ambulance handover recovery plan still needs further impact at NUH</li> <li>Focus on cancer waiting times and 78 week waits – zero 78-week waits achieved, some improvements in cancer waiting times</li> </ul>	<b>Quality of care</b>  <ul style="list-style-type: none"> <li>Widespread quality concerns in NHT mental health services, with CQC Section 48 review ordered by the Secretary of State</li> <li>Improvement Oversight and Assurance Group in place - IOAG (NHT, ICB, NHSE), Integrated Improvement Plan under development, initial focus Section 48 Review</li> <li>Safety monitoring metrics in place</li> <li>Ockenden Review ongoing, CQC unannounced inspection undertaken</li> </ul>	<b>Population health / analytics</b>  <ul style="list-style-type: none"> <li>Population of health outcomes framework underway to enable tracking of priority areas</li> <li>Review of SAIU priorities underway to support plan delivery and evolving ICB operating model (incorporating provider oversight)</li> <li>Outcomes metrics developed and endorsed by ICB Board</li> </ul>	<b>Inequalities</b>  <ul style="list-style-type: none"> <li>Areas for targeted intervention identified in operational plan, approved by the ICB Board</li> <li>Health inequalities investment fund schemes identified, with slippage into 24/25</li> <li>Approach for 24/25 HIIF schemes to be developed</li> <li>Inequalities plan part of 24/25 plans</li> </ul>
<b>Primary Care</b>  <ul style="list-style-type: none"> <li>Ongoing work to consider how flexibilities in use of resources could support general practice resilience</li> <li>GP potential industrial action a concern – ongoing engagement concerning potential impacts and mitigations</li> </ul>	<b>£</b>  <ul style="list-style-type: none"> <li>Detailed 2024/5 operational plan submitted to NHSE – work ongoing to strengthen efficiency plans and identify further areas of improvement / flexibility</li> <li>QI system review held in June – significant gap in delivery confidence currently, with additional mitigations / delivery plan development during July</li> <li>NHSE requirement for all NHS systems to be back in balance by 31/3/26</li> </ul>	<b>Transformation</b>  <ul style="list-style-type: none"> <li>Transformation priorities developed as part of operational planning – frailty will be a key system priority</li> <li>Transformation delivery system approach initiated – first Transformation Delivery Group held and programme leads identified</li> </ul>	<b>Workforce</b>  <ul style="list-style-type: none"> <li>Recruitment / agency controls strengthened to mitigate unaffordable growth and reduce temporary staffing costs</li> <li>Increased granularity across the system in terms of agency controls and bank spend – trajectories being developed as part of operational plan triangulation</li> <li>Review of vacancy control processes undertaken – revised whole system approach</li> </ul>
Developing the ICS			
<b>Place Based Partnerships</b>  <ul style="list-style-type: none"> <li>PBP determined priorities confirmed and being implemented</li> <li>Community transformation programmes embedding – built into whole system transformation programme</li> <li>24/25 plans under development - will be linked to overall system plans</li> </ul>	<b>Integrated Care Partnership</b>  <ul style="list-style-type: none"> <li>Ongoing delivery through HWB and operational plans</li> <li>Terms of Reference refreshed</li> </ul>	<b>Provider Collaborative</b>  <ul style="list-style-type: none"> <li>Work plan under development – work areas identified</li> <li>Provider Leadership Board refining delivery plans and scope of back office and workforce initiatives (to complement other system working and identify lead areas)</li> <li>Development session with ICB Board held</li> </ul>	<b>Integrated Care Board</b>  <ul style="list-style-type: none"> <li>Developing performance and financial oversight and assurance approach across the system – work commenced to embed new ways of working and align with ongoing statutory ICB duties</li> <li>ICS research strategy endorsed by the board</li> </ul>

## **Sepsis lead update**

Trust Governors have previously requested an update on the appointment of a Trust Sepsis lead.

The role has recently been advertised with a closing date of 28<sup>th</sup> July 2024 and shortlisting is now underway for the role, which is due to be interviewed during week commencing 12<sup>th</sup> August 2024.

The focus of this role is to augment existing speciality sepsis leads (e.g. in our Emergency Department) to work with clinicians across the Trust to improve the outcomes for patients with sepsis. As well as being a clinical expert and resource for teams, the role will help drive improvements in recognition and innovation in practice of sepsis treatment. This role will regular report into the Trust's Patient Safety Committee.

This role will be in addition to the Sepsis Lead role that is already in place in the Trust's Emergency Department to improve the Trust's management of the condition.

## **Sherwood among first 143 hospitals to roll-out 'Martha's Rule' in next step in major patient safety initiative**

On 27<sup>th</sup> May 2024, NHS England announced that 143 hospital sites across the country were to be the first to test and roll-out Martha's Rule in its first year.

The announcement of the first sites to test implementation of Martha's Rule is the next step in a major patient safety initiative, following the announcement in February of NHS England funding for this financial year.

The scheme is named after Martha Mills, who died from sepsis aged 13 in 2021, having been treated at King's College Hospital, London, due to a failure to escalate her to intensive care and after her family's concerns about her deteriorating condition were not responded to.

The purpose of Martha's Rule is to provide a consistent and understandable way for patients and families to seek an urgent review if their or their loved one's condition deteriorates and they are concerned this is not being responded to.

NHS England is working with the parents of Martha to develop materials to advertise and explain the initiative in hospitals across the country, to ensure it is something that all patients, staff, and their families can recognise.

Sherwood Forest Hospitals has opted to be a part of the first group of Trusts to implement the scheme, with a Trust-wide working group having been established to shape how the scheme is introduced here at Sherwood.

Evaluation of how the system works in these sites over the course of this year will then inform proposals for Martha's Rule to be expanded further across all acute hospitals, subject to future government funding.

Martha's Rule is to be made up of three components to ensure concerns about deterioration can be swiftly responded to:

- Firstly, an escalation process will be available 24/7 at all the 143 sites across the country, advertised throughout the hospitals on posters and leaflets, enabling patients and families to contact a critical care outreach team that can swiftly assess a case and escalate care if necessary.
- Secondly, NHS staff will also have access to this same process if they have concerns about a patient's condition.
- Finally, alongside this, clinicians at participating hospitals will also formally record daily insights and information about a patient's health directly from their families, ensuring any concerning changes in behaviour or condition noticed by the people who know the patient best are considered by staff.

The Trust is working to introduce the scheme by autumn 2024. For more information about the national Martha's Rule scheme, please visit the NHS England website at [www.england.nhs.uk/patient-safety/marthas-rule/](https://www.england.nhs.uk/patient-safety/marthas-rule/)

## Partnership updates

### **Welcome to Mid Nottinghamshire's newly-elected Members of Parliament**

As a Board, we have taken the opportunity to formally welcome those Members of Parliament (MPs) who were elected and re-elected in the Mid Nottinghamshire area we serve during July's General Election.

As a Trust, we have always valued the relationships we have enjoyed with our local Members of Parliament and we are sure that will continue with them all over the course of the next parliament.

As a key employer and anchor organisation within their constituencies, the Acting Chair and I have taken the opportunity to write to them all following their election to share more about the Trust's work and to explore how we can work with them to address some of the challenges we will face together over the coming years.

### **Planned meeting with Newark MP over urgent treatment provision**

One of the conversations that will be high on the list of the recently re-elected Member of Parliament for Newark, Robert Jenrick MP, is the provision of urgent healthcare in the Newark area.

Mr Jenrick wrote to the Acting Chair and I during July to discuss this important matter - an opportunity we have welcomed.

The Trust is now working with Mr Jenrick's Constituency Office to arrange a meeting to discuss the topic alongside colleagues from the Nottingham and Nottinghamshire Integrated Care Board (ICB).

### **Working together to deliver Improved sexual health services for Nottingham and Nottinghamshire residents**

From October 2024, Nottingham and Nottinghamshire residents will benefit from an enhanced Integrated Sexual Health Service.

The service will be delivered across City and County, led by Nottingham University Hospitals NHS Trust in partnership with Sherwood Forest Hospitals NHS Trust and supported by a remote sexual health service provider, Preventx.

It will be funded and commissioned by both Nottingham City and Nottinghamshire County Council's Public Health services.

The newly-awarded single city and county-wide contract replaces the current arrangements for sexual health services which are delivered through several contracts. The improved service will ensure that everyone has access to the same high quality 'one stop shop' for sexual health services, regardless of where they live.

The free and confidential service will expand its health promotion offer and targeted outreach support to the most vulnerable and at greater risk across the City and County. It increases choice for residents by keeping face-to-face and walk-in appointments, whilst making the most of new technology to offer online services to support those who prefer a remote option. The service will also provide a single website as a reliable source of information so that residents can make informed choices about their sexual health and know how to access the services they need.



The service offer includes:

- better access to trusted information on sexual and reproductive health
- increased choice and easier access to services for local people
- services tailored to meet needs of people at greater risk of poor health outcomes
- services which will reach out to support our diverse communities and
- a better experience of finding relevant services that are more streamlined and joined-up across the system, including GPs, pharmacies, sexual health, and other healthcare services.

We are looking forward to working collaboratively to develop the current sexual health service into an even better one for our local communities.

## Other Trust updates

### **Damien becomes first patient in the East Midlands to be treated with new Parkinson's drug**



A patient here at King's Mill Hospital has become the first in the East Midlands to receive a life-changing new treatment for Parkinson's disease.

Damien Gath, 52, from Derby, underwent the treatment here at Sherwood, where we have been proud to become one of the first hospitals in the East Midlands to offer Produodopa - a new NICE-approved infusion therapy that is administered via a portable pump under the skin for patients with advanced-stage Parkinson's disease.

Mr Gath, who was first diagnosed 12 years ago and has been under the care of Sherwood Forest Hospitals since 2016, underwent treatment with new infusion therapy during July.

A breath-taking video of Damien making a cup of coffee 'before and after' receiving the treatment underlines just how life-changing the treatment is for him. You can [watch that incredible video on the Trust's Facebook page here](#).

Produodopa is administered as a continuous infusion therapy, meaning the patient no longer experiences the fluctuations common in oral drugs caused as a dose of medication fades away and the next dose is not due. The portable drug infusion ensures a gradual release of medication, resulting in greater symptom



management. Damien can also administer an additional dose when needed, offering greater personal control over his condition.

Damien reported that he was in considerable pain at night and was unable to sleep or even to turn over, experiencing significant fluctuations in his condition as the effect of the oral drugs were reduced during the night. Since beginning the infusion therapy, which he has been trained to administer himself at home, his quality of life has been transformed.

Teams at the Trust have worked hard to implement this new therapy as soon as it was approved for use by the NHS to ensure it was available for our patients - offering a shining example of the Trust bringing its *Improving Lives* vision to life.

I am grateful to everyone who has played their part in bringing this life-changing treatment to Sherwood.



## Showing our support for our Armed Forces community during Armed Forces Week



Colleagues at King's Mill prepare to raise the Armed Forces Day flag

We have been sharing news of an innovative scheme that supports members of the Armed Forces community into NHS careers and is proving to be a success here at Sherwood.

Thanks to the Step into Health programme, which supports military service leavers and veterans in their transition to civilian employment, two people have recently secured jobs at the Trust. A third was supported to gain employment at a nearby NHS organisation.

Shana McCullagh, a Recruitment Officer here at Sherwood, has been in a Step into Health-focused role since January 2024. She assists with one-to-one recruitment support - from submitting applications to preparing for interviews and supporting with recruitment checks, if successful.

Stacy Irving joined Sherwood Forest Hospitals in April as Specialty General Manager for Paediatrics and Community Paediatrics. This management role involves working with clinical teams to address day-to-day operational challenges, continually looking at ways to improve care for patients and planning services for the future.

Stacy served in the Royal Logistic Corps for 25 years and completed operational tours and exercises worldwide, including in Kenya, Iraq, Bosnia, Northern Ireland, Germany and Cyprus.

We recognise the transferable skills and cultural values that Armed Forces personnel develop when serving and appreciate the benefit these can bring to roles within the NHS.



Stacy Irving has been supported into work with the Trust after serving in our Armed Forces



The NHS is home to more than 350 careers so there really is something for everyone – from catering, maintenance, administration, finance, communications, management, or a role in one of the clinical services, to name but a few, this programme will benefit you.

This latest initiative furthers our Trust's commitment to supporting our Armed Forces, which follows the Trust signing the Armed Forces pledge. The Trust also has Silver employment status in addition to Gold accreditation from the Veterans Covenant Healthcare Alliance (VCHA) in recognition of the support we provide.

The Trust celebrated the contribution made by the entire Armed Forces community in the run-up to Armed Forces Day on Saturday 29<sup>th</sup> June 2024. The Armed Forces flag has been flying at all three hospital sites and the towers at King's Mill Hospital were lit red, white and blue after sunset from 24<sup>th</sup> to 29<sup>th</sup> June 2024.

An Armed Forces Staff Network is being set up for employees so they can consider the support that's available and how the Trust celebrates occasions such as Remembrance Day.

Step into Health is open to all service leavers and veterans and their spouse or partner. The Trust guarantees interviews for applicants from the Armed Forces community who meet the essential criteria for a post. Placements are also available.

Anyone who would like more information about the scheme can visit [militarystepintohealth.nhs.uk](https://militarystepintohealth.nhs.uk) or contact Shana McCullagh, Recruitment Officer at Sherwood Forest Hospitals, by emailing [shana.mccullagh@nhs.net](mailto:shana.mccullagh@nhs.net)



Colleagues at Newark Hospital raise the Armed Forces Day flag

## Professor Sir Jonathan Van-Tam visits King's Mill Hospital

On Wednesday 24<sup>th</sup> July 2024, we were delighted to welcome Professor Sir Jonathan Van-Tam to King's Mill Hospital for a special visit to the Trust to mark the work we are doing to support the Armed Forces community.



During the visit, Professor Sir Jonathan Van-Tam - who played a leading role in the nation's pandemic response - officially unveiled a 'Veterans Aware' plaque at King's Mill Hospital that recognises the Trust's work to make the Trust a welcoming place to work and receive care for serving and former members of our Armed Forces and their families.

Sir Jonathan comes from a military family and is Honorary Colonel of the Army Cadet Force.

The plaque recognises the Trust achieving the gold standard accreditation - the highest available - from the Veterans Covenant Healthcare Alliance (VCHA), shows the strength of the Trust's commitment to ensuring that those who serve or have served in the Armed Forces and their families are treated fairly whenever they need the Trust's services. This commitment also covers all employees and volunteers across the Trust.

Speaking to members of the staff network, he praised the Trust for the work we are doing to put veterans on the map within the Trust and in the local area. and said he hoped the network goes from strength to strength.

He said it was important to recognise the sacrifice made by members of the Armed Forces and their families, as well as the contribution those with military experience make to civilian life.

During his visit, he also visited the Trust's Hospital Grand Round where he spoke to Trust colleagues about his career history, the challenges faced during the pandemic and how they were tackled, and the importance of good communication.



He also thanked SFH colleagues for their work during the pandemic, saying he knew how awful and traumatic the unprecedented situation was.

We are grateful to Professor Sir Jonathan Van-Tam for the time he took to visit us here at Sherwood.

### **Sherwood shows its support for Nottinghamshire PRIDE**

During July 2024, I joined the PRIDE march at King's Mill Hospital to show the Trust's enduring commitment to making our hospitals a great place to work and receive treatment for people from all backgrounds - including those from our LGBTQ+ communities.

I joined colleagues from across the Trust for the march on Tuesday 16<sup>th</sup> July 2024, ahead of Nottinghamshire PRIDE, while a separate march took place for colleagues at Newark Hospital on Tuesday 23<sup>rd</sup> July 2024.



**#TeamSFH colleagues take part in the Trust's PRIDE march at Newark Hospital**

### **Congratulations to all our Project SEARCH graduates**

During July, we were extremely proud to congratulate the 2024 cohort of Project SEARCH interns at their recent graduation ceremony.

DFN Project SEARCH is a one-year transition to work programme for young adults with a learning disability or autism spectrum conditions - or both.

The scheme works hard to challenge and change cultures, demonstrating how young people with a learning disability can enrich the workforce, bring incredible skills and talent, encourage greater diversity, and meet a real business need.

This programme is currently running at our King's Mill and Mansfield Community Hospitals, where interns on the programme gain experience in three job rotations to explore a variety of career paths within the NHS - including in a range of hospitality, business admin, domestic services, pathology and other roles.

It has been an honour to see the progress our interns have been making - both in work and in developing their general life skills - over the last two years and to watch them progress to either work or volunteering.

I congratulate each of our graduates on their work, as well as thanking our Trust colleagues who have been so welcoming and supportive of the interns by offering their help, time and support to these young people.



**Trust hosts successful Community Diagnostic Centre event and celebrates delivering over 20,000 tests**





The Trust held its third Community Diagnostic Centre (CDC) engagement event was held on Thursday 6<sup>th</sup> June 2024, attracting more than 50 residents, patients, and NHS workers who were eager to learn more about the ongoing developments and job opportunities at the site.

The recent engagement event celebrated the project delivering over 20,000 tests to date, ahead of the opening of its purpose-built facility in March 2025.

Once built, the Mansfield CDC will serve as a one-stop shop for patients across Nottinghamshire, offering a wide range of tests in a single visit, reducing referral times and helping patients receive diagnoses more swiftly, as well as creating jobs for local people.

During the event, the team shared insights into the wide range of almost 200 job opportunities coming to the CDC next year. Visitors were also given a visual representation of the new building, creating excitement for the future of the project, based on revised plans that have been submitted to Mansfield District Council for approval.

Work is really stepping-up on-site now in a way that people can really see. This is a significant step toward the seeing the new state-of-the-art facility, with the demolition and building works not only focused on creating a new healthcare facility but also on implementing several green initiatives that will make the Centre a thoroughly modern facility. That is good news for our patients, as well as the environment.

The project features improved insulation, advanced Air Source Heat Pumps, efficient ventilation systems, and low-energy LED lighting, all designed to enhance energy efficiency and reduce carbon emissions by over 20%. Additionally, the demolition waste management strategy targets a 90% recycling rate, with reclaimed materials being repurposed for the new construction. This includes crushing and reusing the brick and block fabric from the old building to form levels for the rebuild, significantly reducing the need for imported materials.



In addition to the construction updates, the Trust showcased its efforts to conserve the heritage of the former Victoria Hospital, inaugurated in 1948, by inviting the public to share their personal histories or pictures about the site to celebrate and preserve the rich history of the site as it transitions into becoming a modern healthcare facility.

For more information about the CDC, its services and opportunities to work at the site, please visit the CDC website at [www.sfh-tr.nhs.uk/cdc](http://www.sfh-tr.nhs.uk/cdc)

### **New Teledermatology service provides patients with faster diagnosis when skin cancer is suspected**

A new service that provides patients who have suspected skin cancer with faster diagnosis and treatment has started here at Sherwood.

Already established at King's Mill Hospital with patients benefitting from the shorter waiting times, the service was also extended to Newark Hospital on Monday 10<sup>th</sup> June 2024.

Teledermatology involves an initial appointment where a series of high-resolution digital photographs are taken by a clinical photographer. These photographs are then studied by a consultant dermatologist who can assess them remotely and decide whether a patient needs to come into hospital for further investigation and treatment or if they can be given assurance that cancer can be ruled out quicker.

For the patient, this eliminates the sometimes longer wait for a first face-to-face appointment with the dermatologist. Their first appointment for the photographs is far quicker and the remote triage enables dermatologists to review twice as many patients than face-to-face appointments.

The teledermatology service allows us to triage patients referred by their GP with urgent suspected skin cancer much quicker. Reviewing the high-resolution photographs also allows us to reassure patients more quickly when they do not have cancer. Patients with a diagnosis of cancer are also seen quicker and can start getting their treatment sooner.

This new way of working also means we are able to review more patients, sooner which means a faster outcome for the patient.

Patients for whom it is more convenient will now be able to have their photographs and any follow-up procedures done in Newark Hospital, as part of the wide range of outpatient appointments, operations and procedures already available at Newark Hospital.

## #TeamSFH celebrates midwifery retention success



During May, we were proud to celebrate one of our lowest ever vacancy rates among our midwives, thanks to the success of a recruitment and retention programme that has been funded by NHS England.

Nationally, there is a high rate of midwife vacancies due to multiple factors including burnout and lack of colleague support. The vacancy rate in Sherwood Forest Hospitals' midwifery team is incredibly low at 0.9%, with all newly-qualified midwives recruited to the Trust since February 2022 still working there two years on.

A huge factor behind this achievement has been the support we provide to newly-qualified midwives in their first 18-24 months – known as their preceptorship.

Midwife Sharon Parker, who was appointed the Trust's Lead Midwife for Recruitment and Retention in early 2022, has supported 48 midwives, 28 of whom have completed their preceptorships to become Band 6 midwives and 20 who are working towards the end of their preceptorship programme.

The Trust, which marked International Day of the Midwife on Sunday 5<sup>th</sup> May 2024, employs 180 midwives who provide care for over 3,500 families each year.

Before this role was introduced, newly-qualified midwives at the Trust had no single, dedicated person to go to for support. Lead Midwife for Recruitment and Retention form an integral part of the NHS Long Term Future Workforce plan.

Sharon provides support to midwives on a range of topics, from clinical care and compliance to personal wellbeing. The support is specifically designed to meet the needs of each individual midwife as they rotate around various parts of the Maternity service.

Each midwife will have an appraisal every month for the first three months with a further review after six months and one year. Midwives on the programme are allocated protected time to meet with Sharon to reflect and learn. This time can also be used to debrief or look back on any challenging situations that may have happened.

Sharon also looks after their wellbeing, ensuring midwives are aware of and know how to access the wide range of wellbeing support the Trust offers.

Sharon is also a midwifery ambassador for NHS England. She works closely with local schools, colleges, and universities to promote midwifery as a profession and roles available within the Trust. There are currently 46 student midwives at the Trust who Sharon supports, and two midwives set to start their preceptorship programme.

Thanks to the success in midwifery, the Trust is looking at what it can do to increase retention rates in other areas of maternity and across the wider organisation.

We are incredibly grateful to Sharon and to all her colleagues who have helped to make this incredible achievement possible.

### **Relaunching our Staff Networks to improve our support for Trust colleagues**



On National Staff Networks Day in May, we were proud to support the Trust's brilliant Staff Network Chairs and Co-Chairs to relaunch our Staff Networks.

Across our NHS, Staff Networks are recognised as a vital part of helping to reduce inequalities and support our staff in driving meaningful change. Here at Sherwood, they are vital in making Sherwood a place where people from all walks of life feel they can belong.

Here at Sherwood, we are proud to have a number of Staff Networks – including networks focused on supporting colleagues who are from ethnic minorities, who are carers, from our LGBTQ+ communities, who have disabilities and who are women.

As part of that relaunch, our Executive Team have reaffirmed their commitment as Executive sponsors for the networks by signing a pledge to better support those networks in their work.



That pledge was strengthened further following the recent unrest following the heartbreaking events in Southport. Following those events and the disorder that followed, we have worked with our Staff Networks to communicate our horror at those events, to celebrate our Trust colleagues from all over the world who help to make great patient care happen here at Sherwood and to signpost staff to support should they need it. As well as communicating messages of support, we also reached-out specifically to groups including our international nurses and our Muslims Association.

We are grateful to those networks and all those colleagues who lead them and are involved in them for the part they play in making Sherwood a great place to work.

### **Trust scores top marks for condition, appearance and maintenance of its sites**



The care environment here at Sherwood are exceeding the NHS national average in all areas, according to the results of our latest Patient-Led Assessment of the Care Environment (PLACE) inspection.

The Trust scored top marks for condition, appearance, and maintenance across its three hospital sites, while Newark Hospital and Mansfield Community Hospital scored 100% for cleanliness with King's Mill not far behind at 99.8%. The organisation's food scored over 95%.

The assessments, which take place in all healthcare settings every year, reflect the attitude that every NHS patient should be cared for with compassion, dignity in a clean and safe environment.

Assessments show how the environment supports the provision of care, assessing aspects such as privacy and dignity, food, cleanliness, general building maintenance, and monitors whether the premises are equipped to meet the needs of people with dementia or with a disability.

These fantastic results are testament to the hard work and dedication of all our teams at Sherwood Forest Hospitals. We work in partnership with Medirest, Skanska and CNH (Vercity), as without everyone working together, we wouldn't have such a clean, well-maintained and welcoming environment for our patients. Our colleagues should be extremely proud of the contribution they have made.

Patient assessors found King's Mill Hospital to be 'very bright, clean, and welcoming' and said, 'staff gave an air of calm throughout the inspection, even though the wards were full'.

The general view on Mansfield Community Hospital was 'very clean with a welcoming feel...staff were also very friendly', while the grounds of Newark Hospital were described as 'free from clutter and well maintained.'

The assessments help organisations to understand how well they are meeting the needs of their patients and identify where improvements can be made.

Taking place from September to November each year, the inspection is undertaken by local patient assessors, as well as representatives from the Care Quality Commission (CQC), NHS Digital, Age UK, Trust volunteers and Governors. It is also supported by members of staff at the Trust, which includes Matrons, Infection Control, Nutrition and Hydration and Dementia specialist nurses. The visit is facilitated by the Estates and Facilities PLACE team.

The PLACE assessments specify that 25% of the hospital's wards must be covered. Eight areas were covered at Mansfield Community Hospital, nine at Newark Hospital and 21 at King's Mill. At King's Mill, the inspection took place across 10 wards, eight outpatient departments and compulsory areas such as the Emergency Department, as well as external grounds and communal areas.

On behalf of the Trust's Board of Directors, I would like to reiterate my thanks to each and every colleague who has helped to make this fantastic achievement possible.

### **New car park improves patients' access to Newark Hospital**

A new 80-space car park has opened at Newark Hospital to bring immediate benefits to patients, visitors and staff, with the dedicated staff car park freeing up much-needed spaces in the hospital's main car park for patients and visitors.

The car park was made possible thanks to a partnership between Sherwood Forest Hospitals NHS Foundation Trust and Newark and Sherwood District Council.

The District Council purchased the land between the hospital and the Co-Op on Bowbridge Road and converted it into additional hospital car parking in its bid to ensure residents have access to even more healthcare provision locally.

We know that parking has been increasingly difficult in recent months and we are grateful to everyone for their patience and understanding. It is fantastic to see that these long-awaited extra spaces have immediately helped to alleviate parking issues on and around the site and improve the experience of our patients, visitors and colleagues.

Additional parking is key to the work we are doing to further increase the range of services available at Newark Hospital and we are hugely grateful to our colleagues at Newark and Sherwood District Council for making this happen.

Within the Trust, I would also like to share my thanks with all our teams, especially our Estates and Facilities teams, and our security team who have supported motorists to park safely during a difficult time.





The car park is the latest in a host of improvements as part of the Trust's ongoing plans to maximise the potential of Newark Hospital and ensure it is a valued and vibrant community asset. Millions of pounds have been invested in the site by the Trust since 2020.

Last month, the Medical Day Case Unit moved to its new home in a dedicated space on Fernwood Unit providing a better experience for patients, and in the past few months a programme of painting and general housekeeping has taken place, which has further improved the look and feel of the hospital.

These developments also follow the opening of our new state-of-the-art operating theatre, known as the Newark Elective Hub, last October that aims to provide up to 2,600 extra operations and procedures each year.

The hospital's main car park has 170 pay and display spaces plus 20 spaces for blue badge holders. Patients and visitors are reminded to bring cash to pay for parking. Electric charging will also be available for electric and hybrid vehicles, as part of the Trust's commitment to environmental sustainability.

### **New electric charging points for King's Mill Hospital**

A number of additional electric car charging points have been installed at King's Mill Hospital over recent weeks, as the Trust works to further its environmental commitments and make more sustainable use of its resources and estates over the coming years.

A total of 24 new chargers have now installed in a staff car parking area (Car Park 11) at King's Mill Hospital to allow staff to charge their vehicles while on-shift. The new chargers, which are due to go-live over the coming weeks, will supersede the two chargers currently available for staff on-site.

The introduction of new electric car charging points at King's Mill follow the introduction of 16 new electric car parking spaces at Newark Hospital, which have been introduced as part of [the opening of a new 80-space staff car park there in partnership with Newark and Sherwood District Council that is already helping to improve the car parking situation for staff and patients on-site.](#)



**Council of Governors - Cover Sheet**

<b>Subject:</b>	Lead Governor Report	<b>Date:</b>	13 <sup>th</sup> August 24		
<b>Prepared By:</b>	Liz Barrett, Lead Governor				
<b>Approved By:</b>	Liz Barrett, Lead Governor				
<b>Presented By:</b>	Liz Barrett, Lead Governor				
<b>Purpose</b>					
To provide assurance to the Council of Governors from the perspective of the Lead Governor		<b>Approval</b>			
		<b>Assurance</b>	<b>X</b>		
		<b>Update</b>			
		<b>Consider</b>			
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
		<b>X</b>			
<b>Principal Risk</b>					
<b>PR1</b> Significant deterioration in standards of safety and care					
<b>PR2</b> Demand that overwhelms capacity					
<b>PR3</b> Critical shortage of workforce capacity and capability					
<b>PR4</b> Failure to achieve the Trust's financial strategy					
<b>PR5</b> Inability to initiate and implement evidence-based Improvement and innovation					
<b>PR6</b> Working more closely with local health and care partners does not fully deliver the required benefits					<b>X</b>
<b>PR7</b> Major disruptive incident					
<b>PR8</b> Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>					
None					
<b>Acronyms</b>					
SFHFT = Sherwood Forest Hospital Foundation Trust					
<b>Executive Summary</b>					
<p>An overview as to the work that volunteer Governors has been contributing to SFHFT again recently. The main change being to the 'Meet Your Governor' model which has been adapted from the April 2024 Governor Conference to ensure greater impact.</p> <p>There have been recent changes to the SFHFT Governing body which are important to report upon. Steven Hunkin is no longer an SFHFT Governor and neither is John Doddy. I would like to formally acknowledge both for their volunteer contributions to SFHFT as governors and thank them for the time that they gave and their input.</p> <p>John was an appointed Governor for Notts County Council. As such, we have the pleasure of welcoming Bethan Eddy to the SFHFT governor body as his replacement and as the appointed Governor for Notts County Council. Bethan is having her induction on 6<sup>th</sup> August 2024 and will then join the team of Governors.</p> <p>The SFHFT governing body continue to be very active within our volunteer roles. 15 Steps continues to be well attended and highly impactful. It is acknowledged between governors how</p>					

well this initiative is run and also how helpful it is to have people attending it from different backgrounds (i.e clinical and non-clinical). 15 Steps really does enable all involved to have a detailed deep dive as to what is happening in a particular area and whether all key standards and measures are being met. It gives an opportunity to speak directly with staff, patients and carers, which is invaluable in seeing / experiencing the quality of care being given.

There has been a slight pause in Meet Your Governor work since the April conference to enable the model for Meet Your Governor to change. This is fully reported on in the Membership and Engagement report. All Governors were in approval of this refresh and direction of travel and it feels as though having focused 'hot topics' will enable this work to become more impactful for SFHFT.

Several Governors have attended different events run by Governwell and reported back to the governing body about what they have learnt and the impact. This approach encourages us as a group of Governors to constantly upskill and keep as sharp as possible. It is fair to say that as a group of Governors we are curious and offer challenge and support which is critical in our volunteer roles.

There is a small working group consisting of Governors and Exec who have met several times to review the SFHFT constitution. This work is focused upon finding cost saving efficiencies when recruiting new Governors along with ensuring that our Governing Body always represents the communities that it serves. Further work using patient and Governor postcode information will be undertaken to establish how our Governing Body currently align with this approach and what (if anything) needs to be undertaken further to sharpen this. It is felt that post code analysis will yield the strongest approach for us to work and make decisions with moving forward.

Governor meetings have continued to be very well attended and this is really appreciated. There is a real depth of knowledge within our Governing Body which adds significant value to SFHFT. Governors have actively been present at relevant NED Committee meetings where they have then fed back updates to the rest of the Governing body. This approach continues to work well and helps us as a team of Governors to 'triangulate' our knowledge which enables further probing if required.

RemCom has taken place with Governors in attendance and as Lead Governor I have been involved in the Acting Chairs Objectives Setting 24/25.

Governors appreciated the Acting Chair joining the recent Forum and for his transparency and approach when answering questions. I have regular 'keeping-in-touch' meetings with the Acting Chair and also with the Director of Corporate Affairs which helps to keep all things governance on track.

In my role as Lead Governor I continue to meet every few weeks with the Lead Governors from Nottinghamshire Healthcare NHS Foundation Trust and Doncaster and Bassetlaw Teaching Hospitals NHS Foundation Trust. This approach is helpful as we have recently started having meetings with Nottingham and Nottinghamshire Integrated Care System with a view to holding a further online (one was held several years ago) conference for governors on 14<sup>th</sup> October 2024. It is intended that an in-person shared governor conference will then follow in the Spring. Shared focuses will be on the agenda for each of these sessions.

The governor focus for the next few months is to increase participation in Meet Your Governor and to continue to have strong governor engagement (when time allows for governors) across the board.

**Council of Governors - Cover Sheet**

<b>Subject:</b>	15 Steps Challenge Update.	<b>Date:</b>	13 <sup>th</sup> August 2024		
<b>Prepared By:</b>	Sally Whittlestone, Associate Director of Nursing, Patient Experience and Complaints				
<b>Approved By:</b>	Candice Smith, Director of Nursing Quality & Governance				
<b>Presented By:</b>	Emma Mutimer-Hallgarth, Family Liaison Officer				
<b>Purpose</b>					
This report provides a summary of the visits undertaken as part of the 15 Steps Challenge from April to June 2024.		<b>Approval</b>			
		<b>Assurance</b>			
		<b>Update</b>	<b>x</b>		
		<b>Consider</b>			
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
<b>x</b>			<b>x</b>		
<b>Principal Risk</b>					
<b>PR1</b>	Significant deterioration in standards of safety and care				
<b>PR2</b>	Demand that overwhelms capacity				
<b>PR3</b>	Critical shortage of workforce capacity and capability				
<b>PR4</b>	Failure to achieve the Trust's financial strategy				
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation				<b>x</b>
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits				
<b>PR7</b>	Major disruptive incident				
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change				
<b>Committees/groups where this item has been presented before</b>					
<b>Acronyms</b>					
<b>Executive Summary</b>					
<p>The purpose of this paper is to update the Council of Governors on the 15 Steps Challenge visits, that have taken place from April to June 2024. This paper will detail the clinical areas visited, the feedback identified by the visiting teams, and any themes within these.</p> <p>The importance of the 15 Steps Challenge is to provide a valuable source of qualitative information that explores different healthcare settings through the eyes of patients and relatives, also providing the opportunity to align patient and staff experiences, and to promote a positive experience for all, encouraging staff to understand and initiate local service improvement.</p> <p>During the reporting period from April to June 2024, there were a total of 26 visits confirmed as undertaken, with reports completed and returned.</p> <p>The programme of visits continues to endorse engagement and visibility of the Senior Leadership Team and Governor representation. The Governor makes a unique contribution to the 15-step process as they seek to capture real-time honest patient feedback.</p>					

The outcomes of the visits continue to be positive with many examples of person-centred, compassionate care, pride and positivity, and a strong sense of CARE values being demonstrated across the organisation.

## Introduction

The purpose of this paper is to update the Council of Governors on the 15 Steps Challenge visits that have taken place between April and June 2024. This paper details the clinical and non-clinical areas visited, the feedback identified by the visiting teams, and any themes or trends noted.

It is important to acknowledge that the 15 Steps process is not a tool for traditional clinical auditing assurance, the 15 Steps Challenge is to provide a valuable source of qualitative information that aligns patient and staff experience, to promote a positive experience for all, whilst encouraging staff to initiate local service improvement.

During the reporting period, there was a total of 26 visits completed, identifying an increase from the previous quarter, that highlighted 19 visits were completed, visit areas were as follows:

April	May	June
Clinic 1	SDEC, UEC	Minster
Medical Day Case	Ward 21	Bereavement Centre
Clinic 4	Clinic 11 Paediatrics	Ward 23
Ward 14	Ward 31	Clinic 6
Clinic 9	Ward 41	Clinic 7
Lindhurst Ward MCH		Ward 12
Radiology, incl. CT, MRI		Ward 52
Ward 36		Endoscopy
Main Theatres		Ward 43
Restaurant Level 6		Case Notes
		Emergency Department
Total 10	Total 5	Total 11

When analysing the qualitative data, themes, and trends can be seen throughout all visits and are positive, it should be acknowledged that storage appears to be a Trust-wide issue with many areas struggling with this, below are some examples of the feedback received.

## Welcoming:

Staff were keen to talk to the teams and engagement was noted to be very good in most of the areas. The teams were welcomed during their visits on arrival, except in one area in which it took a while for the door to be answered, however, engagement was good once greeted by the department sister on duty.

All staff were noted to interact well with patients and each other.

## Caring and Involving:

High standards of patient information were available in all areas that were visited.

Clinic waiting areas were noted to be spacious, clean, light, and airy, with high ceilings and plenty of comfortable seating. Hand gels and handwashing facilities are available and small play areas were identified for children in the clinic waiting rooms. Disabled patients were being supported to access clinic areas.

Good patient facilities were noted, including, toilets, baby change, and complimentary drinking water, all were clean, tidy, and in good repair, with one area having paint refreshed during the visit.

Patients reported adequate privacy and dignity during appointments, for example, a private area for weighing and taking vital signs. One particular patient who was resting spoke highly of the environment and her experience.

A couple of patients felt communication with them could be better regarding plans. This was discussed with the Nurse in charge to ensure patients are included in decision-making when appropriate and clear communication.

An interaction with a student nurse on placement was very positive, she explained that the ward had been very supportive, giving her lots of learning experiences and nothing was too much trouble. She stated she would be sad to leave.

#### **Safe:**

It would appear some health and safety issues were currently being addressed by our health and safety team, in one area, this work was confirmed as ongoing by the department leader with many improvements in that area having already taken place.

Fire exits were clear from clutter and hand gels were noted at the point of care.

One Department leader talked of the last complaint and incidents, which were minimal, and how learning from these was adopted.

Ward displays were up to date with areas adhering to infection control, including the resus trollies being identified in the correct locations, and were clean, and accessible.

#### **Well-organised and calm:**

Most departments and wards felt calm and organised despite areas being busy, for example, one department had 80 plus appointments scheduled each day.

Good feedback was received from a Preceptorship Nurse and an International Nurse about the support they had received in their working area.



Staff boards were noted to be up to date in many areas highlighting good co-ordination of the ward/department.

### Issues identified during the visits:

The majority of actions identified during the visits were addressed at the point of contact, seeing immediate action being taken, where appropriate and in accordance with the 15 Steps process, with assurance given that where required communication would be shared with the wider team, to prevent similar occurrences.

Several issues were resolved shortly following the visits, and currently, any outstanding that weren't confirmed as complete, including during the previous quarter, are identified below seeing some actions as ongoing.

Status	Action	Assigned to	Discussed during visit	Due date	Notes
Ward 31	Welcome board, concealed. Consider moving.	Department Leader	✓	Ongoing	In progress of getting a new one printed.
Radiology	Concern over staffing at night.  Telephone interruptions during MRI.  Recruitment of staff.	Service Leader	✓	Ongoing.  Completed	Discussed with Divisional SLT at specialty performance meeting and have added a trial on a temporary basis a HCA support worker overnight. Working with UEC division around the option of a Radiology band 3 coordinator for CT. Awaiting placement of new MRI, working with Skanska  Staff recruitment is still very good. All posts over the last few months have been successfully recruited too.
Main Theatres	To arrange a visit when increased activity.  Storage limited	Department Leader	✓	Ongoing	Awaiting new visit.  Storage noted to be a trust-wide issue.
Ward 36	Inappropriate use of the ED screen	Ward Leader	✓	Completed	Raised at the time of visit, ward leader discussion.
Restaurant	Issues with food being limited.  Issues with how	Medirest	x	6months/ October 2024	Ongoing work, around provisions is currently being undertaken. Looking

	busy the restaurant was.				at alternatives.
Medical Day case	Concerns were raised around privacy and dignity, space, chairs, and facilities during surge. Limited access to medical input for SURGE patients – can become challenging if patients become unwell or TTOs are not prescribed.	Department Leader	✓	Ongoing Completed	Update Surge hasn't occurred since opening in May 2024.
Paediatric clinic 11	Office space an issue, currently limited.  Translator information requests	Department Leader	✓	Ongoing	Referred to AGM, to look at new space.  Discussed translation information and processes, with comms.
Ward 52	One recline chair is damaged, and already out for repair. Contacting charitable funds.	Ward Leader	✓	Ongoing September 2024	Need to obtain the serial numbers and send them with what cushions need recovering.
Clinics 6 & 7	Office Space	Department Leader	✓	Ongoing	As discussed at the time of the visit, if office space became available, they could move into this as space is limited.
Endoscopy	To showcase the service/training	Department Leader	✓	Ongoing.	A discussion was held with the leader about the possibility of showcasing the work completed.  To consider outstanding service story.
Ward 43	One wall to be painted.	Department Leader	✓	Ongoing May 2024	Due to be painted during life cycle in October, ward leader will ask for this to be done sooner if possible.
Newark Theatres	Storage space  Emergency bed access discussed		✓	Completed	Lack of storage now resolved utilising other spaces at Newark.  Trail to check a bed can access and it can safely.
Ward 51	TV Access	CEO	✓	Ongoing	To look at access of TVs for patients.

Case Notes	<p>Concerns around Health and safety, accessing notes safely.</p> <p>Actions and improvements evidence from previous visits.</p>	Escalated to Skanska.	✓	Ongoing  Completed.	<p>Health and safety issues are already being addressed.</p> <p>Staff Kitchen and bathroom areas booked in for improvement.</p>
SDCU	<p>The staff expressed frustration with TTO's being the main cause of delay in discharges.</p> <p>There appeared to be limited staff break facilities, the room has been relocated and is quite small and not the best environment.</p> <p>The front door on the main street of the corridor was reported to be dirty by one team.</p>	Department Leader	✓	Completed	<p>Discussed at divisional governance meetings and shared throughout the division. Delays in TTO is now on the risk register. Auditing delayed discharges.</p> <p>Discussed with the staff at the ward comcel. Staff are aware they can go outside to the KTC, restaurant or any other available area for breaks.</p> <p>The door was cleaned on the day of the audit and all posters were renewed.</p>

### Patient feedback:

When triangulating this with the Friends and Family Test feedback and compliments you can see below some of the positive words used to describe the Trust, staff, and the care received.



**Visiting team's feedback:**

The Trust CARE values and behaviours were reflected throughout the language used within all the reports and demonstrated an alignment with patient feedback.

Feedback was provided to area owners by the visiting teams and if any issues were identified it allowed them to act on this, improving as required, and sharing of the positive findings.

**Conclusion:**

The 15 Steps Challenge is a valuable source of qualitative information that aligns patient and staff experience to collectively promote a positive experience for all and support staff to initiate local service improvement. It is not to be used as a single process of quality measurement; the 15 Steps Challenge is used in conjunction with several clinical audits that support the triangulation of the delivery of quality care from a multifaceted approach.

The programme of visits continues to endorse engagement and visibility of the Senior Leadership Team and Governor representation. The Governor's representation is a valuable element in the 15-step process as they provide a unique opportunity to capture real-time honest patient feedback. The outcomes of the visits continue to be overwhelmingly positive with many examples of person-centered compassionate care, pride and positivity, and a strong sense of CARE values being demonstrated across the organisation.

**Next Steps:**

Moving forward visits are planned through August, September, and October 2024, results will be analysed on a month-by-month basis, ensuring area owners have been made aware of any issues allowing for improvements or sharing of positive findings.

**Council of Governors Meeting**

<b>Subject:</b>	Nursing Profile				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Rebecca Herring (Associate Director of Nursing- Workforce)					
<b>Approved By:</b>	Phil Bolton (Chief Nurse)					
<b>Presented By:</b>	Rebecca Herring (Associate Director of Nursing)					
<b>Purpose</b>						
The purpose of this report is to provide an update on the current age profile of the nursing workforce at Sherwood Forest Hospital NHS (SFH)Trust.					<b>Approval</b>	
					<b>Assurance</b>	
					<b>Update</b>	X
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
	X					
<b>Identify which Principal Risk this report relates to:</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					
<b>PR2</b>	Demand that overwhelms capacity					
<b>PR3</b>	Critical shortage of workforce capacity and capability					X
<b>PR4</b>	Failure to achieve the Trust's financial strategy					
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					
<b>PR7</b>	Major disruptive incident					
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>						
<b>Acronyms</b>						
<b>Executive Summary</b>						
<p>Over recent years there has been a subtle change in the age profile of our nursing and midwifery workforce here at SFH. Whilst the diversity of ages within our workforce remains consistent with previous years, 2022/2023 did highlight a decrease in the 51-55 years cohort compared to subsequent years. Many reasons can be attributed to this trend, for example, the introduction of the flexible retirement option, and special class pension eligibility at a local level.</p> <p>However, the national statistics released by University and College Admission Service (2023) highlight that the number of applications from individuals aged 30 years and above has reduced year on year since 2019, and the Nursing, and Midwifery Council (2024) also highlights that there has been an increase in early leavers in the 40-50 years cohort. Therefore, the slight shift in the age profile at SFH is mirroring the changing picture of the national demographic.</p>						



Understanding the age profile of the workforce is important for identifying workforce planning needs and retention strategies, but conversely, it is important to acknowledge age is not indicative of experience. Therefore, recognising the stage of an individual's career enables a more targeted approach to increased job satisfaction and improved recruitment and retention.

The national shift in age profile across the nursing workforce is mirrored within the profile data recorded at SFH. Current strategies are in place to support staff in the varying stages of their career and professional development, however as the entry demographic continues to evolve, our approach to recruitment and retention will need to evolve too.

Report Title:	Nursing Age Profile
Date:	August 2024
Author:	Rebecca Herring, Associate Director for Nursing Workforce
Executive Sponsor:	Phil Bolton, Chief Nurse

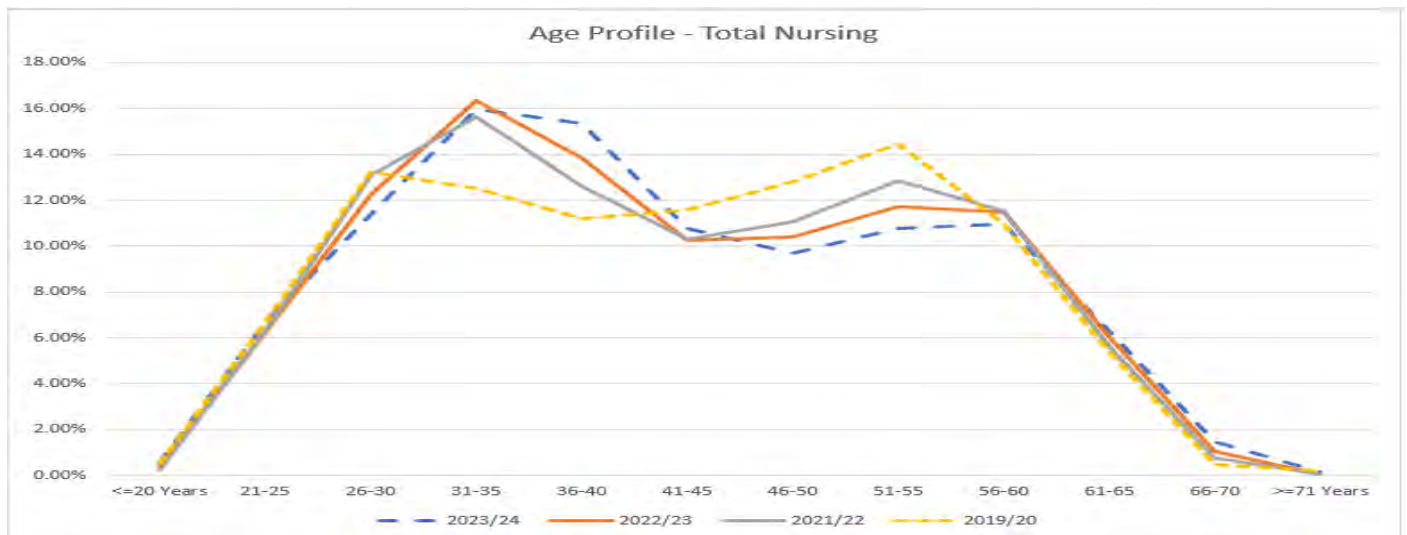
## Background

Following a discussion at the previous Council of Governors Meeting, an action was raised to present the current nursing workforce demographic at a future meeting.

## Nursing Age Profile at SFH

Over recent years there has been a subtle change in the age profile of our nursing and midwifery workforce here at SFH. Whilst the diversity of ages within our workforce remains consistent with previous years, 2022/2023 did highlight a decrease in the 51-55 years cohort compared to subsequent years. Many reasons can be attributed to this trend, for example, the introduction of the flexible retirement option, and special class pension eligibility at a local level.

Figure 1: SFH Age Profile



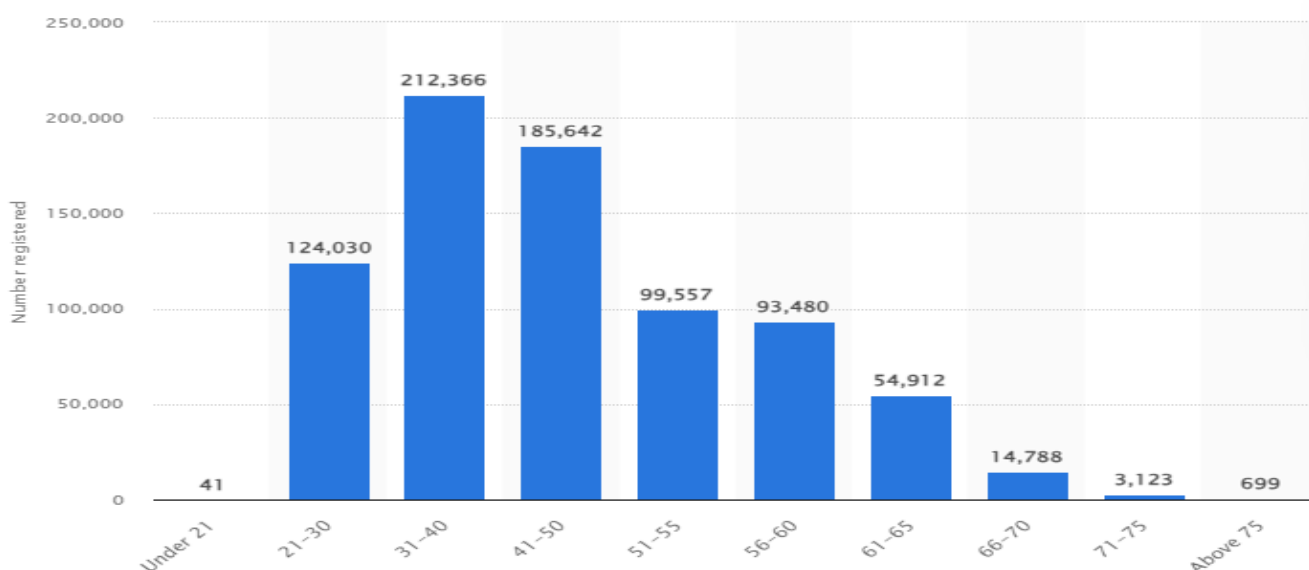
Data Source: Workforce Informatics

Figure 2: SFH Age Profile

Nursing and Midwifery Registered	<=20 Years	21-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-70	>=71 Years	Grand Total
2023/24	0.00%	6.44%	12.15%	17.09%	16.81%	11.10%	10.27%	8.77%	10.32%	5.77%	1.11%	0.17%	63/37
2022/23	0.00%	5.86%	12.87%	17.58%	13.90%	11.24%	10.45%	10.51%	10.45%	6.16%	0.97%	0.00%	61/39
2021/22	0.00%	6.33%	13.42%	15.86%	12.60%	11.03%	11.47%	12.04%	11.03%	5.52%	0.69%	0.00%	59/41
2019/20	0.00%	6.32%	13.34%	12.30%	11.81%	13.27%	11.88%	14.80%	10.49%	5.42%	0.35%	0.00%	57/43

However, the national statistics released by University and College Admission Service (2023) highlight that the number of applications from individuals aged 30 years and above has reduced year on year since 2019, and the Nursing, and Midwifery Council (2024) also highlights that there has been an increase in early leavers in the 40-50 years cohort. Therefore, the slight shift in in age profile at SFH is also reflected within the national demographic below.

*Figure 2: National Nursing Age Profile*



*Data Source: Statistica (2024).*

The undergraduate nursing programme has evolved over the previous decade, and it is now common to see newly qualified nurses joining the profession with a Master of Science award in Nursing studies. Additionally, the apprenticeship route into nursing has proven popular with mature students (aged 21 or over) and reflects the differing expectations and needs of those entering the profession.

The Five High-Impact Interventions recognises early career, experience at work, and late carers stages and offers tailored support for the respective recruitment and retention risks associated with each career stage. These include:

- Preceptorship
- Flexible Working
- Menopause Support
- Legacy Mentoring
- Pension and Flexible Retirement Support.

Understanding the age profile of the workforce is important for identifying workforce planning needs and retention strategies, conversely, it is important to acknowledge age is not indicative of experience. Therefore, recognising the stage of an individual's career enables a more targeted approach to increased job satisfaction and improved recruitment and retention.

## **Conclusion**

The national shift in age profile across the nursing workforce is mirrored within the profile data recorded at SFH. Current strategies are in place to support staff in the varying stages of their career and professional development, however as the entry demographic continues to evolve, our approach to recruitment and retention will need to evolve also.



# Auditor's Annual Report 2023/24

Sherwood Forest Hospitals NHS Foundation Trust

—

26 June 2024



# Executive Summary

## Purpose of the Auditor’s Annual Report

This Auditor’s Annual Report provides a summary of the findings and key issues arising from our 2023-24 audit of Sherwood Forest Hospitals NHS Foundation Trust (the ‘Trust’). This report has been prepared in line with the requirements set out in the Code of Audit Practice published by the National Audit Office and is required to be published by the Trust alongside the annual report and accounts.

## Our responsibilities

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In line with this we provide conclusions on the following matters:



**Accounts** - We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Trust and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the Group Accounting Manual prepared by the Department of Health and Social Care (DHSC).



**Annual report** - We assess whether the annual report is consistent with our knowledge of the Trust. We perform testing of certain figures labelled in the remuneration report.



**Value for money** - We assess the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the Trust’s use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work.



**Other reporting** - We may issue other reports where we determine that this is necessary in the public interest under the Local Audit and Accountability Act.

## Findings

We have set out below a summary of the conclusions that we provided in respect of our responsibilities:

Accounts	We issued an unqualified opinion on the Trust’s accounts on 26 June 2024. This means that we believe the accounts give a true and fair view of the financial performance and position of the Trust.  We have provided further details of the key risks we identified and our response on page seven.
Annual report	We did not identify any significant inconsistencies between the content of the annual report and our knowledge of the Trust.  We confirmed that the Governance Statement had been prepared in line with the Department of Health and Social Care requirements.
Value for money	We are required to report if we identify any matters that indicate the Trust does not have sufficient arrangements to achieve value for money.  We have nothing to report in this regard.
Other reporting	We did not consider it necessary to issue any other reports in the public interest.

# Audit of the financial statements

The table below summarises the significant risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b>Fraudulent expenditure recognition</b></p> <p>As the Trust and system is set a financial performance target by NHS England there is a risk that non-pay expenditure, excluding depreciation, may be manipulated in order to report that the control total has been met.</p> <p>The setting of a control total can create an incentive for management to understate the level of non-pay expenditure compared to that which has been incurred.</p> <p>We consider this would be most likely to occur through understating accruals, for example to push back expenditure to 2024-25 to mitigate financial pressures.</p>	<p>We evaluated the design and implementation of controls for reviewing manual expenditure accruals at the end of the year to verify that they have been completely and accurately recorded;</p> <p>We inspected a sample of invoices of expenditure, in the period after 31 March 2024, to determine whether expenditure has been recognised in the correct accounting period;</p> <p>We selected a sample of payments from the bank statements in the period after 31 March 2024 and agreed these to underlying supporting evidence to determine that all the liabilities are completely and accurately recorded in the correct accounting period;</p> <p>We selected a sample of year end accruals and inspected evidence of the actual amount paid after year end in order to assess whether the accruals have been accurately recorded.</p> <p>We inspected journals posted as part of the year end close procedures that decrease the level of expenditure and accruals recorded at the year end in order to critically assess whether there was an appropriate basis for posting the journal and the value can be agreed to supporting evidence;</p> <p>We performed a retrospective review of prior year accruals in order to assess the existence and accuracy with which accruals had been recorded at 31 March 2023 and consider the impact on our assessment of the accruals at 31 March 2024.</p> <p>We performed a year on year comparison of the accruals made in March 2024 and April 2024 and challenged management where the movement is not in line with our understanding of the entity.</p>	<p>We did not identify any material misstatements relating to this risk.</p>
<p><b>Management override of controls</b></p> <p>We are required by auditing standards to recognise the risk that management may use their authority to override the usual control environment.</p> <p>Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We have not identified any specific additional risks of management override relating to this audit.</p>	<p>In line with our methodology, we evaluated the design and implementation of controls over journal entries and post closing adjustments.</p> <p>We assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.</p> <p>We assessed the business rationale and the appropriateness of the accounting for significant transactions that are outside the Trust's normal course of business, or are otherwise unusual.</p> <p>We have analysed all journals through the year using data and analytics and focused our testing on those with a higher risk, such as unusual cash combinations and journals unexpectedly reducing the accruals balance at M12.</p>	<p>We did not identify any material misstatements relating to this risk.</p>

# Audit of the financial statements

The table below summarises the other key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b>Valuation of land and buildings</b></p> <p>Land and buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with a 'modern equivalent asset'.</p>	<p>We critically assessed the independence, objectivity and expertise of the District Valuer, the valuers used in developing the valuation of the Trust's land and buildings at 31 March 2024;</p> <p>We inspected the instructions issued to the valuers for the valuation of land and buildings to verify they are appropriate to produce a valuation consistent with the requirements of the Group Accounting Manual;</p> <p>We performed inquiries of the valuers in order to verify the methodology that was used in preparing the valuation and whether it was consistent with the requirements of the RICS Red Book and the GAM;</p> <p>We challenged the appropriateness of the valuation of land and buildings; including any material movements from the previous revaluations. We challenged key assumptions within the valuation, including the use of relevant indices and assumptions of how a modern equivalent asset would be developed, as part of our judgement;</p> <p>We compared the accuracy of the data provided to the valuers for the development of the valuation to underlying information, such as floor plans, and to previous valuations, challenging management where variances were identified;</p> <p>We agreed the calculations performed of the movements in value of land and buildings and verified that these have been accurately accounted for in line with the requirements of the GAM; and</p> <p>Disclosures: We considered the adequacy of the disclosures concerning the key judgements and degree of estimation involved in arriving at the valuation.</p>	<p>We did not identify any material misstatements relating to this risk.</p> <p>We considered the estimate to be balanced based on the procedures performed.</p>
<p><b>PFI Transition to IFRS 16</b></p> <p>PFI transition to IFRS 16 will be fully adopted for the first time within the 2024 accounts.</p> <p>As per the GAM this will be processed as an adjustment during the period subject to audit instead of a restatement of the prior year balances.</p> <p>The main impact of these changes is the elimination of contingent rents as a concept, which will lead to an increase in interest costs and an associated remeasurement of the PFI liability and disclosures.</p>	<p>We reviewed the Trust calculation of the adjustment processed as at 1 April 2023, agreeing the information used to underlying records and compare the approach used to that set out in the GAM;</p> <p>We reformed the calculation of the lease liability using the DHSC model as at 31 March 2024; and</p> <p>We critically assessed the disclosure proposed for compliance with the requirements of the GAM.</p>	<p>We did not identify any material misstatements relating to this risk.</p>


# Value for Money

## Introduction

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources or ‘value for money’. We consider whether there are sufficient arrangements in place for the Trust for the following criteria, as defined by the National Audit Office (NAO) in their Code of Audit Practice:

 Financial sustainability: How the Trust plans and manages its resources to ensure it can continue to deliver its services.

 Governance: How the Trust ensures that it makes informed decisions and properly manages its risks.

 Improving economy, efficiency and effectiveness: How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

## Approach

We undertake risk assessment procedures in order to assess whether there are any risks that value for money is not being achieved. This is prepared by considering the findings from other regulators and auditors, records from the organisation and performing procedures to assess the design of key systems at the organisation that give assurance over value for money.

Where a significant risk is identified we perform further procedures in order to consider whether there are significant weaknesses in the processes in place to achieve value for money.

We are required to report a summary of the work undertaken and the conclusions reached against each of the aforementioned reporting criteria in this Auditor’s Annual Report. We do this as part of our commentary on VFM arrangements over the following pages.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Trust.

## Summary of findings

	Financial sustainability	Governance	Improving economy, efficiency and effectiveness
Commentary page reference	12	14	15
Identified risks of significant weakness?	<div></div> Yes	<div></div> No	<div></div> No
Actual significant weakness identified?	<div></div> No	<div></div> No	<div></div> No
2022-23 findings	Risk to significant weakness was noted but did not materialise into a significant weakness	No significant weakness identified	No significant weakness identified
Direction of travel	<div></div>	<div></div>	<div></div>





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**Document Classification: KPMG Public**

**Council of Governors - Cover Sheet**

<b>Subject:</b>	Fit and Proper Person Requirements – Update		<b>Date:</b>	13 <sup>th</sup> August 2024	
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs				
<b>Approved By:</b>	Sally Brook Shanahan, Director of Corporate Affairs				
<b>Presented By:</b>	Sally Brook Shanahan, Director of Corporate Affairs				
<b>Purpose</b>					
To provide assurance to the Council of Governors of full compliance with the updated NHSE Fit and Proper Person Framework requirements in force from 30 <sup>th</sup> September 2023.			<b>Approval</b>		
			<b>Assurance</b>	X	
			<b>Update</b>		
			<b>Consider</b>		
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
X	X	X	X	X	X
<b>Principal Risk</b>					
<b>PR1</b>	Significant deterioration in standards of safety and care				X
<b>PR2</b>	Demand that overwhelms capacity				X
<b>PR3</b>	Critical shortage of workforce capacity and capability				X
<b>PR4</b>	Failure to achieve the Trust's financial strategy				X
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation				
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits				
<b>PR7</b>	Major disruptive incident				
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change				
<b>Committees/groups where this item has been presented before</b>					
Executive Team Meeting – 24 <sup>th</sup> April 2024					
Council of Governors meeting – 14 <sup>th</sup> May 2024					
Board of Directors in public – 2 <sup>nd</sup> June 2024					
<b>Acronyms</b>					
FPPT – Fit and Proper Person Test					
FPP – Fit and Proper Person					
ESR – Electronic Staff Record					
SID – Senior Independent Director					
NHSE – National Health Service England					
<b>Executive Summary</b>					
At its meeting held on 14 <sup>th</sup> May 2024 the Council of Governors received its annually scheduled update on FPP requirements that included a description of the new NHSE FPPT Framework for board members effective from 30 <sup>th</sup> September 2023.					
The paper summarised the actions taken by the Trust in response to the requirements of the new Framework that included confirmation that the core documents comprising the Privacy Notice for Board members, the updated FPP Policy and the new FPP Recording and Reporting Guidance were all in place.					

Since then, the work to capture the outcomes of the required actions and checks into the ESR system, that is the mandated storage repository, have been completed and the first annual submission on the outcomes of the FPP assessments reviewed by both the outgoing and incoming Trust Chairs and the SID. The resulting return (containing information as at 30<sup>th</sup> April 2024) was scrutinised and signed off by the Chairs on 24<sup>th</sup> May 2024 and the SID on 6<sup>th</sup> June 2024. Thereafter the final return was submitted to the NHSE Regional Director and acknowledged on 11<sup>th</sup> June 2024 to complete the process, in advance of the deadline of 30<sup>th</sup> June 2024. NHSE (nationally) subsequently raised a question on 11<sup>th</sup> July 2024, that was fully answered and the response accepted on 18<sup>th</sup> July 2024 with no action required.

The Council of Governors is asked to note that the Trust has completed the new FPP process and met the requirements in a full and timely manner.

The Audit and Assurance Committee agreed that an internal audit on the implementation and compliance with the new FPP Framework should be included as a core audit within the Internal Audit Plan for 2024/25. The terms of reference for this internal audit were agreed and the internal audit field work concluded during July 2024. The final report is currently awaited. Based on discussion about the draft version it is expected it will provide at least significant assurance with any recommendations being low.

Separately, and beyond the scope of the new Framework, the Trust has extended the coverage of FPP testing to designated deputies to ensure greater assurance in the event a deputy is required to cover for an executive director role for an extended period.

## Council of Governors - Cover Sheet

<b>Subject:</b>	Code of Conduct for Governors				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Sally Brook Shanahan – Director of Corporate Affairs					
<b>Approved By:</b>	Sally Brook Shanahan – Director of Corporate Affairs					
<b>Presented By:</b>	Sally Brook Shanahan – Director of Corporate Affairs					
<b>Purpose</b>						
To approve minor amendments to the Governor's Code of Conduct in order to bring it up to date.					<b>Approval</b>	<b>X</b>
					<b>Assurance</b>	
					<b>Update</b>	
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>Principal Risk</b>						
<b>PR1</b> Significant deterioration in standards of safety and care						
<b>PR2</b> Demand that overwhelms capacity						
<b>PR3</b> Critical shortage of workforce capacity and capability						
<b>PR4</b> Failure to achieve the Trust's financial strategy						
<b>PR5</b> Inability to initiate and implement evidence-based Improvement and innovation						
<b>PR6</b> Working more closely with local health and care partners does not fully deliver the required benefits						
<b>PR7</b> Major disruptive incident						
<b>PR8</b> Failure to deliver sustainable reductions in the Trust's impact on climate change						
<b>Committees/groups where this item has been presented before</b>						
N/A						
<b>Acronyms</b>						
N/A						
<b>Executive Summary</b>						
<p>The Code of Conduct for Governors has been reviewed and proposed amendments are shown in tracked changes on the annexed version.</p> <p>These are to update out of date references to Monitor and the FT Code of Governance and to make pronouns gender neutral.</p> <p>NOTE: The embedded link to the Trust Constitution will be updated to reflect any changes to it agreed by the Council of Governors under agenda Item 16 at its full meeting on 13<sup>th</sup> August 2024 and as approved by the Trust Board.</p> <p><b>Recommendation:</b> That the Council of Governors approves the updates to the Code of Conduct for Governors with immediate effect.</p>						



**SHERWOOD FOREST HOSPITALS NHS FOUNDATION TRUST  
(A PUBLIC BENEFIT CORPORATION)**

# **CODE OF CONDUCT**

Code of Conduct for Governors of Sherwood Forest Hospitals NHS Foundation Trust (the “Code”)

## **1 Introduction**

- 1.1 This Code expands on and complements the Trust’s Constitution (a copy of which can be obtained from [final-sfh-constitution-2022-version.pdf \(sfh-tr.nhs.uk\)](https://www.sfh-tr.nhs.uk/final-sfh-constitution-2022-version.pdf). The Constitution is the primary document within the Trust’s governance framework and details the way in which the Trust operates. In addition to the Constitution this Code should be read in conjunction with:
  - 1.1.1 the Trust’s Standing Orders for the Council of Governors; and
  - 1.1.2 ~~NHS England’s Code of governance for NHS provider trusts~~  
~~Monitor’s NHS Foundation Trust Code of Governance code~~ (which is available at <https://www.england.nhs.uk/long-read/code-of-governance-for-nhs-provider-trusts/Final-patient-leaflet-publishing-service.gov.uk>) and Governors should familiarise themselves with these documents.
- 1.2 This Code sets out the required standard of behaviour and conduct for Governors. Compliance with this Code is mandatory as set out in the Constitution.
- 1.3 Any comments or queries regarding the meaning, interpretation or application of this Code should be raised with the Director of Corporate Affairs.
- 1.4 Unless otherwise stated terms in this Code shall have the same meaning as set out in the Constitution.

## **2 Eligibility for, termination of and disqualification from the Office of Governor**

- 2.1 Governors must continue to meet the eligibility criteria as set out in the Constitution at paragraph 6 to hold the office of Governor throughout their period of tenure.
- 2.2 Governors must notify the Director of Corporate Affairs in writing immediately upon becoming aware of any changes in their circumstances which means that the Governor is no longer eligible to hold the office of:
  - 2.2.1 Governor; or
  - 2.2.2 Governor in respect of the constituency or class of Governor they represent.

Such notice should include the nature of the change in circumstance and why the

Governor believes it affects their eligibility to hold the office of Governor. Governors are reminded that the detailed termination of tenure and disqualification provisions for Governors are set out in the Constitution at paragraphs 7.11 and 7.12 respectively.

- 2.3 In accordance with the provisions of the Constitution a Governor may resign from office at any time during the term of that office by giving notice in writing to the Director of Corporate Affairs. Such notice shall take effect immediately upon receipt by the Director of Corporate Affairs or at such later date as may be specified in the notice.
- 2.4 Where a Governor has resigned from office that Governor shall:
  - 2.4.1 co-operate with the Director of Corporate Affairs and Chair so as to effect a timely and orderly handover of any matters with which the Governor is involved;
  - 2.4.2 promptly return to the Director of Corporate Affairs or destroy at the Director of Corporate Affairs -request such paperwork relating to the Trust and the work of the Council of Governors as the Governor may have in ~~his~~ their possession; and
  - 2.4.3 continue to comply with the requirements of the Constitution, this Code and the Standing Orders for the Council of Governors until such time as this resignation takes effect.

### **3 Duties of the Council of Governors**

- 3.1 The general duties of the Council of Governors in accordance with the Constitution are to:
  - 3.1.1 hold the non-executive directors individually and collectively to account for the performance of the Board of Directors; and
  - 3.1.2 represent the interests of the members of the Trust as a whole and the interests of the public.
- 3.2 The Council of Governors shall also carry out its statutory duties under National Health Service Act 2006 as amended by the 2012 Act as referred to in the Constitution.
- 3.3 The Governors shall carry out these duties in good faith and to the best of their abilities at all times.

### **4 Trust Policies**

- 4.1 The Governors shall comply with and promote within the Trust the following:
  - 4.1.1 the Trust's Speaking up policy;
  - 4.1.2 the Trust's Conflicts of Interests policy;
  - 4.1.3 the Trust's Fit and Proper Person Requirement policy;
  - 4.1.4 the Trust's Equality and Diversity policy;
  - 4.1.5 the Trust's Fraud Bribery and Corruption Policy and
  - 4.1.6 such other reasonable Trust policies as are notified to the Governors

inwriting from time to time.

4.2 The policies referred to at paragraph 4.1 are available on the Governor Portal.

## **5 Social Inclusion**

5.1 The Governors shall ensure that they do not conduct themselves in their role as Governors in such a way as to:

5.1.1 prejudice any part of the community on the grounds of age, sex, disability, marital status, sexual orientation, ethnic origin or religious belief; or

5.1.2 promote any personal or political view that undermines the objective of this clause 5.1.

## **6 Governor Obligations**

6.1 In carrying out their role as Governors, the Governors shall:

6.1.1 comply with the Constitution, the Standing Orders for the Council of Governors and this Code;

6.1.2 actively support the agreed vision and aims of the Trust in developing a successful Trust for the people of Mansfield, Ashfield, Newark and Sherwood, and the surrounding districts;

6.1.3 act in the best interests of the Trust at all times;

6.1.4 seek to engage with and understand the views of: the Members within their Constituency; or the appointing organisation in order to effectively represent those views within the Council of Governors;

6.1.5 contribute to the work of the Council of Governors in order for it to fulfil its role as defined in the Constitution;

6.1.6 recognise that the Council of Governors exercises collective decision-making on behalf of local people, stakeholders and staff and abide by such decisions as are made within that forum;

6.1.7 acknowledge that, other than when attending meetings and events as a Governor, Governors will have no rights or privileges over any other Members of the Trust;

6.1.8 recognise that the Council of Governors has no managerial role within the Trust and that it is the Board of Directors which is responsible for the management of the Trust;

6.1.9 value and respect all other Governors and the Trust's staff and officers that come into contact with Governors;

6.1.10 respect the confidentiality of the information received in the role as a Governor;

6.1.11 act with integrity and objectivity and in the best interests of the Trust, without any expectation of personal benefit;

- 6.1.12 attend meetings of the Council of Governors on a regular basis and in accordance with the requirements of this Code and the Constitution in order to carry out the role;



- 6.1.13 conduct themselves in a manner that reflects positively on the Trust, and act as an ambassador for the Trust.

## **7 Personal conduct of Governors**

- 7.1 Governors must adhere to the highest standard of conduct in the performance of their role of Governor.
- 7.2 Governors must, whilst carrying out their role of Governor:
- 7.2.1 acknowledge that the Trust is an apolitical organisation;
  - 7.2.2 acknowledge that they are representing the Constituency (whether a Public Constituency or a Staff Constituency) that elected them or organisation which appointed them;
  - 7.2.3 recognise that it is not acceptable or appropriate to represent any trade union, political party or other organisation of which they are a member or represent their views whilst conducting themselves as a Governor;
  - 7.2.4 be honest and act with integrity and probity at all times;
  - 7.2.5 respect and treat with dignity and fairness, the public, patients, relatives, carers, NHS staff and partners in other agencies;
  - 7.2.6 seek to ensure that fellow Governors are valued as colleagues and that judgements about colleagues are consistent, fair and unbiased and are properly founded;
  - 7.2.7 accept responsibility for their actions;
  - 7.2.8 show their commitment to working as a team member by working with colleagues in the NHS and wider community;
  - 7.2.9 seek to ensure that the membership of the Constituency they represent is properly informed and able to influence services;
  - 7.2.10 seek to ensure that no one is discriminated against because of their religion, belief, race, colour, gender, marital status, disability, sexual orientation, age, social or economic status or national origin;
  - 7.2.11 comply with the Constitution, the Standing Orders for the Council of Governors and this Code;
  - 7.2.12 respect the confidentiality of the individual patients;
  - 7.2.13 not make, permit or knowingly allow to be made any untrue or misleading statement relating to their own duties or the functions of the Trust;
  - 7.2.14 seek to ensure that the best interests of the public, patients, carers and staff are upheld in decision making and the decisions are not improperly influenced by gifts or inducements;
  - 7.2.15 support and assist the Chief Executive of the Trust in ~~his~~their responsibility to answer to NHS England/~~Improvement~~Improvement, commissioners and the public in terms of fully and faithfully declaring and explaining the use of resources and the performance

of the total NHS in putting national policy into practice and delivering targets;  
and

7.2.16 uphold the seven principles of public life as detailed by the Nolan Committee, now the Wicks Committee as set out in Annex 1.

## **8 Council of Governor Meetings**

8.1 Governors should familiarise themselves with the provisions of the:

8.1.1 Constitution relating to attendance at Council of Governor meetings (paragraph 7.11.2.1; and

8.1.2 Standing Orders for the Council of Governors relating to the conduct of Council of Governor meetings

## **9 Conflicts of Interest**

9.1 Governors obligations in relation to the declaration of conflicts of interest and the management of such conflicts of interest are set out in (paragraph 7.16.5) of the Constitution and 6 of the Standing Orders for the Board of Governors.

## **10 Training and Development**

10.1 In order to ensure Governors have appropriate skills and knowledge to undertake the role of Governor and to assist them to effectively perform their role and carry out their functions, the Trust shall provide a programme of training. Governors should attend any training session as reasonably required by the Trust.

10.2 Governors must participate in the Trust's induction programme for Governors.

## **11 Media engagement**

11.1 Governors will act responsibly and in a manner reflective of their duties within this Code and the Council of Governors Undertaking document, when making any statement to, or otherwise communicating with, the media.

11.2 Governors should not make any statement to, or otherwise communicate with, the media in their capacity as Governor where such statement or communication might constitute a breach of any provision within this Code.

11.3 If Governors are in any doubt as to whether in making any statement to, or otherwise communicating with, the media they should seek the advice of the Council of Governors prior to making such statement, where practicable.

## **12 Reimbursement of Expenses**

12.1 Governors are not entitled to receive remuneration for their role.

12.2 Governors are entitled to receive reimbursement for travelling and other expenses incurred and evidenced by receipts in accordance with the Trust's expenses policy at such rates as the Trust decides from time to time.

12.3 The Trust shall publish the rates for the expenses referred to in the Annual Report.

## 13 Visits to Trust Premises

- 13.1 Where Governors wish to visit the Trust's premises in their capacity as a Governor (as opposed to visiting individuals or attending the Trust in a personal capacity) they must liaise with the PA to the Director of Corporate Affairs to make the necessary arrangements.

## 14 Non-compliance with the Code of Conduct

- 14.1 Where a Governor has or is alleged to have breached this Code, the Council of Governors, a relevant Panel and/or the Chair may take such action as is referred to in this clause 14 in respect of such breach or alleged breach.
- 14.2 Any Governor may submit in writing to the Chair a request to investigate a breach or alleged breach of this Code by any other Governor.
- 14.3 Where the Chair is made aware of an alleged breach of the Code of Conduct they may ~~where~~ if they consider it is appropriate given the nature of the alleged breach ~~or~~ or the alleged circumstances giving rise to it:
- 14.3.1 exclude the Governor concerned from the whole or any part of any or all Council of Governor meetings;
- 14.3.2 suspend the Governor concerned from office pending conclusion of the matter;
- 14.3.3 take such other action as ~~he~~ they considers appropriate.
- 14.4 Where the Chair considers that any such action as referred to in this paragraph 14.3 is required (an "Interim Sanction") ~~he~~ they shall notify the Governor concerned in writing as soon as reasonably practicable and explain the next stage in addressing the matter.
- 14.5 An investigation into a breach or alleged breach of this Code (the "Investigation"), shall only be initiated with the consent of the Investigation Panel (as defined in Annex 2, Part 4) by simple majority vote.
- 14.6 Where the Investigation Panel votes to initiate an investigation in respect of a Governor (the "Investigated Governor"):
- 14.6.1 the Chair shall establish a panel of Governors in accordance with the provisions of Part 4 of Annex 2 for the purposes of determining the outcome of the Investigation;
- 14.6.2 the Chair of the Investigation Panel shall ensure that the Investigated Governor is notified in writing no later than 5 working days after the vote referred to at paragraph 14.5, of the:
- 14.6.2.1 alleged breach of the Code;
- 14.6.2.2 grounds giving rise to the allegation and the provisions of this Code which are alleged to have been breached;
- 14.6.2.3 arguments for the conduct of an Investigation in accordance with Annex 2; and

14.6.2.4 timeframe within which the Investigation Panel intends to inform them of the next stage of the Investigation.



- 14.6.3 the Chair of the Investigation Panel shall ensure that the Investigation is carried out in accordance with the provisions of Annex 2.
- 14.7 Following the completion of an Investigation, the Panel (as defined in Annex 2 Part 4) may, where the allegation of non-compliance is upheld, impose such sanctions as it considers appropriate in accordance with the provisions of Annex 2 Part 3.
- 14.8 Where an Investigated Governor wishes to appeal a decision of the Panel they shall do so in accordance with the provisions of Annex 2 Part 2.

## **15 Constitutional documents**

- 15.1 In the event of any conflict between the provisions of this Code, the Constitution and/or the Standing Orders for the Council of Governors such conflict shall be resolved in the following order of precedence the terms of the:
  - 15.1.1 Constitution;
  - 15.1.2 the Standing Orders for the Council of Governors;
  - 15.1.3 this Code.

## **Annex 1 – The principles set out by the Committee on Standards in Public Life**

### **1 Selflessness**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

### **2 Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

### **3 Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for awards or benefits, holders of public office should make choices on merit.

### **4 Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### **5 Openness**

Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### **6 Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### **7 Leadership**

Holders of public office shall promote and support these principles by leadership and example.

## **Annex 2 – Investigation process for alleged breach of the Code**

### PART 1 – Investigation

- 1 An investigation into an alleged breach of this Code shall be conducted in accordance with this Annex 2:
- 2 Investigation Stage
  - 2.1 The Investigation Panel shall meet to agree whether the Investigation should be carried out:
    - 2.1.1 internally and if so by whom; or
    - 2.1.2 by an external investigator appointed by the Investigation Panel and if so, agree the identity of an appropriate external investigator.
  - 2.2 The Chair of the Investigation Panel shall take such steps as are necessary to engage the relevant investigator (the “Investigator”) pursuant to paragraph clause 2.1 on such terms as he considers appropriate.
  - 2.3 The Chair of the Investigation Panel shall notify, in writing, the Investigated Governor with the details of the Investigator and the Investigated Governor shall comply with all reasonable requests of the Investigator including, if so requested, meeting them to discuss the matter in hand and/or furnish them with appropriate and relevant documentation.
  - 2.4 The Investigation Panel shall facilitate for the Investigator, where possible:
    - 2.4.1 introductions to such other persons as the Investigator may wish to interview in respect of the matter;
    - 2.4.2 access to and copies of such documentation as the Investigator considers relevant to the Investigation.
  - 2.5 The Investigator shall be asked to provide a written report to the Investigation Panel at the conclusion of his Investigation setting out:
    - 2.5.1 the findings in respect of the Investigation;
    - 2.5.2 the recommendations as to any further investigation or steps which should be undertaken by the Investigation Panel.
  - 2.6 The Chair of the Investigation Panel shall procure that the Investigated Governor receives a copy of the Investigator’s report as soon as reasonably practicable after receipt.
  - 2.7 Following receipt of the Investigator’s report the Chair of the Investigation Panel shall call a meeting of the Investigation Panel to determine whether any further action is needed before the Panel meets to hear and determine the issue in accordance with paragraph 4 (the “Panel Hearing”).
  - 2.8 Where the Investigation Panel concludes that:
    - 2.8.1 further action is required before the Panel Hearing the Chair of the Investigation Panel shall take such steps as are necessary to procure that

such action(s) is carried out and shall inform the Investigated Governor, in writing no later than 5 working days after that Investigation Panel meeting of the next steps in the process; or

2.8.2 no further action is required in advance of the Panel Hearing the Chair of the Investigation Panel shall inform the Governor that the Investigation is concluded and that the matter is being passed to the Panel.

2.9 Where the Investigation Panel has concluded pursuant to paragraph 2.8.1 that further action is required and such action(s) have been completed the Investigation Panel shall notify the Investigated Governor in accordance with paragraph 2.8.2.

2.10 The Investigation Panel shall then provide a written report to the Panel setting out/including the:

2.10.1 terms and scope of the Investigation;

2.10.2 Investigator's report;

2.10.3 such other information as is pertinent to the Panel's deliberations.

### 3 Panel Hearing Preparation

3.1 Upon receipt of the report of the Investigation Panel the Chair (as defined in paragraph 4.1) shall convene a meeting of the Panel to agree the date and process for the Panel Hearing (in accordance with paragraph 3.2) and inform the Investigated Governor of the same. The date for the Panel Hearing shall be not less than 15 working days from the date of notice.

3.2 The Panel is responsible for determining the process for the Panel Hearing and the notice referred to at paragraph 3.1 must include the following:

3.2.1 the date, time and location of the Panel Hearing;

3.2.2 the members of the Panel;

3.2.3 the date by which the Investigated Governor must submit to the Chair any written representations they would like the Panel to consider and/or any objection to a Panel Member;

3.2.4 confirmation as to whether the Investigated Governor can have legal or other representation at the Panel Hearing;

3.2.5 confirmation as to whether the Investigator or any other third party will be present at the Panel Hearing;

3.2.6 confirmation as to whether the Investigated Governor will be permitted to address the Panel and/or pose questions to the Investigator or any other third party who is present;

3.2.7 such other information as the Panel considers it appropriate to provide.

3.3 Where the Investigated Governor objects to the inclusion of any particular Governor on the Panel, the Chair shall consider whether it is appropriate or not to dismiss such Panel member so as not to compromise the integrity of the process. The Chair shall inform the Investigated Governor and the Governor in question of their decision.



## 4 Panel Hearing

- 4.1 The Panel Hearing shall be chaired by the Governor nominated to chair it by the other Panel members (the “Chair”) and conducted in accordance with the process notified to the Investigated Governor pursuant to paragraph 3.2.
- 4.2 At the relevant stage in the process the Chair shall dismiss the Investigated Governor, the Investigator and any third parties whilst the Panel retire to consider their decision.
- 4.3 The Chair shall procure that the Investigated Governor receives:
  - 4.3.1 a copy of the decision of the Panel (including the details of any sanctions the Panel has voted to impose and the lifting or otherwise of any Interim Sanctions);
  - 4.3.2 a copy of the minutes of the Panel Hearing; and
  - 4.3.3 confirmation of the appeal processwithin 10 working days of the Panel Hearing.

## PART 2 – Appeal

- 1 Where an Investigated Governor has been found guilty of a breach of the Code of Conduct by the Panel, the Investigated Governor may no later than 15 working days after receipt of the written decision submit an appeal to the Appeal Panel (as defined in Part 4 of Annex 2), including the stated grounds for the appeal by notice in writing to the Director of Corporate Affairs.
- 2 Where an appeal is submitted by the Investigated Governor it shall be acknowledged within 3 working days of the date of receipt by the Director of Corporate Affairs and referred to the Chair of the Trust.
- 3 The Chair of the Trust shall confirm to the Investigated Governor within 5 working days whether the appeal has been accepted and where such appeal has been accepted:
  - 3.1 the date, time and location for the Appeal Panel meeting which shall hear the appeal;
  - 3.2 the process for the appeal hearing;
  - 3.3 what, if any, further information is required from the Investigated Governor.
- 4 The meeting of the Appeal Panel to hear any appeal which has been accepted shall be held in accordance with the provisions of paragraph 3 of this Part 2.
- 5 When an appeal is heard by the Appeal Panel the:
  - 5.1 Investigation Panel members;
  - 5.2 Panel members; and
  - 5.3 Investigated Governor shall not sit as part of the Council of Governors.

### PART 3 – Sanctions

- 1 Where the Panel determines that an Investigated Governor has breached the Code of Conduct it may impose such sanctions as it considers appropriate including but not limited to:
  - 1.1 issuing a written warning as to future conduct;
  - 1.2 requiring the Investigated Governor to provide written undertakings as to future conduct;
  - 1.3 suspending the Governor from office until such time as any relevant matters have been attended to;
  - 1.4 dismissing the Governor from office;
  - 1.5 withholding the payment of expenses.
- 2 Where an Investigated Governor appeals against the decision of the Panel, the Appeal Panel may review and vary the sanctions imposed by the Panel if it considers it appropriate.

### PART 4 – Miscellaneous

- 1 The Chair shall appoint a panel of Governors (the “Investigation Panel”) to conduct the Investigation. The Investigation Panel shall:
  - 1.1 include as a minimum three Governors; and
  - 1.2 not include the Panel members, the Chair or the Investigated Governor.
- 2 The Chair shall appoint a panel of Governors (the “Panel”) to determine the outcome of the Investigation. Such Panel shall:
  - 2.1 include as a minimum the Lead Governor and two other Governors; and
  - 2.2 not include the Chair, members of the Investigation Panel or the Investigated Governor.
- 3 Any Governor appointed to the Investigation Panel or the Panel shall immediately notify the Chair in writing if they believe they have a conflict of interest which means they should not be a member of the Investigation Panel or Panel. The Chair shall decide whether such Governor should be excused from the Investigation Panel or Panel and if so, nominate a replacement.
- 4 Any appeal shall be heard by an appeal panel (the “Appeal Panel”) convened by the Chair and shall:
  - 4.1 include the Chair;
  - 4.2 not include the Investigated Governor or any member of the Investigation Panel or the Panel; and
  - 4.3 comprise not less than three Governors and not more than five Governors.

- 5 The Panel Hearing and all other meetings of the Panel or the Investigation Panel, Appeal Panel in relation to the Investigation shall be:

- 5.1 held in private;
  - 5.2 minuted; and
  - 5.3 chaired by the nominated Governor in respect of the Panel Hearing and meetings of the Investigation Panel and the Chair in respect of an Appeal Panel hearing.
- 6 The decision of the Panel in relation to an allegation of non-compliance with the Code and any decision of the Appeal Panel in respect of an appeal shall be taken by a simple majority vote.
- 7 If the Investigated Governor is the:
  - 7.1 Chair then such roles of the Chair as are specified in clause 14 of this Code and Annex 2 shall be carried out by the Vice Chair and these provisions shall be read so as to refer to the Vice Chair;
  - 7.2 Lead Governor then their role shall be carried out by such other Governor as is nominated by the Chair.

## Council of Governors - Cover Sheet

<b>Subject:</b>	Annual Report and Accounts 2023/24		<b>Date:</b> 13 August 2024		
<b>Prepared By:</b>	Sally Brook Shanahan – Director of Corporate Affairs				
<b>Approved By:</b>	Sally Brook Shanahan – Director of Corporate Affairs				
<b>Presented By:</b>	Sally Brook Shanahan – Director of Corporate Affairs				
<b>Purpose</b>					
To receive the Final Annual Report and Accounts for 2023/24			<b>Approval</b>		
			<b>Assurance</b>	X	
			<b>Update</b>		
			<b>Consider</b>		
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Improve health and well-being within our communities	Empower and support our people to be the best they can be	To continuously learn and improve	Sustainable use of resources and estate	Work collaboratively with partners in the community
			X		
<b>Principal Risk</b>					
PR1 Significant deterioration in standards of safety and care					
PR2 Demand that overwhelms capacity					
PR3 Critical shortage of workforce capacity and capability					
PR4 Failure to achieve the Trust's financial strategy					
PR5 Inability to initiate and implement evidence-based Improvement and innovation					
PR6 Working more closely with local health and care partners does not fully deliver the required benefits					
PR7 Major disruptive incident					
PR8 Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>					
Audit and Assurance Committee 13 <sup>th</sup> June 2024					
Extraordinary Board Meeting 13 <sup>th</sup> June 2024					
<b>Acronyms</b>					
FT ARM - Foundation Trust Annual Reporting Manual					
<b>Executive Summary</b>					
<p>The NHS Foundation Trust Annual Reporting Manual for 2023/2024, which sets out the requirements regarding the Annual Reports and Accounts, was published by NHS England in February 2024.</p> <p>The manual included a number of changes in annual report requirements compared to the 2022/2023 manual. In summary the significant changes that impact the Trust's Report are:</p>					
<b><u>Code of governance disclosures</u></b>					
<p>The Code of governance for NHS provider Trusts replaced the former NHS Foundation Trust code of governance on 1 April 2023. There are updates to provisions requiring disclosure in</p>					



providers' annual reports, and to 'comply or explain' provisions, meaning disclosure is required in the annual report where the Trust has departed from the Code.

### **Task force on climate-related financial disclosures**

NHS foundation Trusts are required to follow the 'task force on climate-related financial disclosures' requirements on a comply or explain basis. These are being introduced on a phased basis between 2023/24 and 2025/26. From 2023/24 entities should describe the board's oversight of climate-related issues and describe management's role in assessing and managing climate-related issues. These requirements are reflected in the performance report.

### **Performance report: health inequalities**

The 2022/23 FT ARM introduced the need for information to be provided about the Trust's activities to tackle health inequalities, including the extent to which the Trust has exercised its functions consistent with NHS England's statement under section 13SA(1) of the NHS Act 2006 on how NHS bodies should exercise their powers to collect, analyse and publish information related to health inequalities. This disclosure is required by paragraph 26(1B) of schedule 7 to the National Health Service Act 2006, as inserted by section 11 of the Health and Care Act 2022. This information has been included in the relevant section of the Performance report.

### **References to corporate governance statement**

The previous licence requirement for NHS foundation Trusts to prepare and submit a forward-looking corporate governance statement' was removed in the March 2023 update to the NHS provider licence. This has been updated in the required annual report disclosures in relation to the well-led framework and removed from the template annual governance statement. In addition, the reference to the 'foundation Trust licence' in the requirements for the annual governance statement in annex 5 to chapter 2 has been updated to 'NHS provider licence'.

### **Staff survey example disclosure**

Following changes to the format of the staff survey in 2021/22, this means that three years of information in the new format will be disclosed and disclosures for earlier years in the old format are now at the Trust's discretion.

### **Removal of additional disclosure beneath pension entitlements table for calculations in 2022/23**

A late addition to the FT ARM 2022/23 required preparers to disclose a paragraph explaining the basis on which cash equivalent transfer values payable on unfunded public sector pension schemes had been calculated for 2022/23. This disclosure is no longer required (with calculations provided by NHS BSA now being on an updated basis) so the disclosure requirement is removed from the FT ARM.

The final report reflects the above revised guidance where appropriate.

As part of the external audit process KPMG have reviewed the report, and the firm's report to those charged with governance includes the statements below:

We have read the contents of the Annual Report (including the Accountability Report, Directors Report, Performance Report and Annual Governance Statement (AGS)) and audited the

relevant parts of the Remuneration Report. We have checked compliance with the Foundation Trust Annual Reporting Manual (the ARM). Based on the work performed:

We have not identified any inconsistencies between the contents of the Accountability, Performance and Director's Reports and the financial statements.

- We have not identified any material inconsistencies between the knowledge acquired during our audit and the director's statements. As Directors you confirm that you consider that the annual report and accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.
- Work over the Remuneration Report is ongoing. We have identified adjustments within the values, which are reported at page 27;
- The AGS is consistent with the financial statements and complies with relevant guidance subject to updates as outlined on page 23; and
- The report of the Audit and Assurance Committee included in the Annual Report includes the content expected to be disclosed as set out in the ARM and was consistent with our knowledge of the work of the Committee during the year.

The Annual Report and Accounts 2023/24 were submitted to the Department of Health & Social Care on 28<sup>th</sup> June 2024 and confirmed as having been laid before parliament on 26<sup>th</sup> July 2024, since when they have been published on the Trust Website together with the external auditor's annual report.

<https://www.sfh-tr.nhs.uk/media/d1enrg24/2023-24-sherwood-forest-hospitals-nhs-Trust-annual-report-accounts.pdf>

<https://www.sfh-tr.nhs.uk/media/otgnjwav/2023-24-external-auditors-annual-report.pdf>

In order to complete the annual reporting cycle in full, the Annual Report and Accounts 2023/24 will be presented at the Annual Members Meeting and AGM on 24<sup>th</sup> September 2024.

**Recommendation:** The Council of Governors to receive the Final Annual Report and Accounts for 2023/24 and note their publication on the Trust website.

# **Sherwood Forest Hospitals NHS Foundation Trust**

**Annual Report and Accounts**



**2023/2024**

Sherwood Forest Hospitals NHS Foundation Trust

Annual Report and Accounts 2023/2024

Presented to Parliament pursuant to Schedule 7, paragraph 25(4)(a) of the National Health  
Service Act 2006

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## Performance Report

### Statement from the Chair

It is my pleasure to present this year's annual report at the end of what has been another hugely proud and eventful year here at Sherwood Forest Hospitals – one that has been set against an increasingly challenging national backdrop.

In the last 12 months, Sherwood has achieved a great deal, including continuing to deal with the operational challenges that we see across our NHS.

Dealing with more than 10 periods of industrial action that have been called nationally has compounded the challenges we have continued to face across our hospitals, where we continue to see rising demand in our Urgent and Emergency Care services.

Patient discharge also remains a challenge, as we continue to grapple with wider societal issues that see high numbers of patients remaining in hospital long after they have received the vital hospital care they need. Over the winter this has resulted in the Trust opening more beds than at any point in its history.

Despite those obvious challenges, there remains so much for us to be proud of here at Sherwood.

At our front door, our ambulance handover times remain among the very best in the country and in the past year alone, we have celebrated having delivered over 250,000 COVID vaccinations during the life of the vaccine programme. We have also been proud to help bring over 200 'smoke free' babies into the world.

As proud as we are of all our achievements, we recognise that our communities and patients need and deserve more. We also know that it will take a new approach to ensure that we can continue to be there for the patients and communities we serve if we are to continue to provide outstanding care for the years to come.

It is on that basis that we have built our new approach to *Improving Lives* here at Sherwood, with our new five-year strategy being launched in March that sets out how we seek to provide outstanding care over the next five years.

In that time, we want to be known as an outstanding local healthcare provider that consistently delivers quality services for our patients and improves lives. We will achieve this by delivering consistently outstanding care by compassionate people who feel enabled and supported to do their best by Sherwood Forest Hospitals.

Our new vision reflects this: **Outstanding care, compassionate people and healthier communities.**

During the life of our new five-year strategy, we will improve the lives of our patients, our people and our local population under six pillars:

- We will provide outstanding care in the best place at the right time
- We will empower and support our people to be the best they can be
- We will improve health and wellbeing within our communities
- We will continuously learn and improve

- We will make sustainable use of resources and estate
- We will work collaboratively with partners in the community

We want to look beyond the walls of a traditional local hospital by proactively seeking to contribute towards delivering healthier communities in the areas we serve of Ashfield, Mansfield, Newark and Sherwood and beyond.

We are proud of our long history of working in partnership for the benefit of our communities and our ambition during the life of this strategy is to support broader economic and social development, recognising this has a major impact on good versus poor physical and mental health.

This annual report sets out all that we are proud of over the year gone by, as well as underlining the challenges we have faced and will no doubt continue to face.

In spite of those challenges, we have so much to be proud of here at Sherwood – now and over the next five years. Making our vision of *Improving Lives* is a journey that we look forward to, working alongside our patients, local communities and partners who share this important ambition with us.

A handwritten signature in black ink, reading 'Claire Ward' in a cursive script.

Claire Ward  
Chair  
Sherwood Forest Hospitals NHS Foundation Trust

## Statement from the Chief Executive

As we have set out our five-year vision for Sherwood Forest Hospitals, one of the key centrepieces for setting-out our vision has been underlining the role that we know our people will play in delivering outstanding care and creating healthy communities.

In the past year alone, we have been recognised as offering a 'gold standard' service to local Armed Forces veterans, have become the first Trust in the Midlands to achieve accreditation from the international organisation for clinical research, and have continued to develop our partnerships with local organisations, including by hosting our latest *Step into the NHS* event.

We know that none of those achievements would have been possible without the incredible commitment, skill and compassion of our Trust colleagues. Without them, we know that we simply would not have been able to provide the outstanding, compassionate care and treatment that we do – 24 hours a day, 365 days a year.

Sherwood has been on a momentous journey over recent years, emerging from 'special measures' over the past decade to now being home to the East Midlands' only NHS-run acute hospital at King's Mill that is rated as 'outstanding' by the Care Quality Commission (CQC).

Key to that turnaround has been creating a supportive culture that seeks to support and empower our people to be the best they can be – a point underlined by our 2023 *NHS National Staff Survey* results that were announced in March 2024.

Those results revealed that 74.45% of Trust staff recommended the organisation as a place to work, rating Sherwood as the third among all NHS organisations nationally as a place where staff recommend working.

The results also named Sherwood as the best nationally for morale, engagement, colleagues feeling they have the freedom to do their work, that their work being valued by the organisation, and that they have the right learning and development opportunities to help them grow.

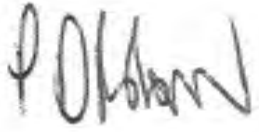
Crucially, the culture we have created is reflected in the care that we are proud to provide to the patients and communities we serve, with 77.88% of Trust staff agreeing that they would be happy with the standard of care provided at the Trust if a friend or relative needed treatment.

Despite such positive feedback, we know there is always more we can do to make Sherwood an even greater place to work – including through the action we are already taking to address the unacceptable violence and aggression that our colleagues say they face all too often.

As the financial climate continues to bite, maintaining a positive culture will be key to maintaining those high standards of care here at Sherwood.

And despite those obvious challenges, we are clear that Sherwood will continue to be an organisation that remains clinically-led but financially-sound – as demonstrated by the investments we have made to maintain high standards of patient care across our hospitals, including in delivering a new operating theatre at Newark Hospital and through our work to attract national funding to bring Nottinghamshire's first Community Diagnostic Centre to our area.

It is that balance of continuing to provide outstanding patient care and aspire and improve within a strict financial envelope that will be a key focus for us to maintain as we enter a new financial year.

A handwritten signature in dark ink, appearing to read 'P Robinson', with a stylized, cursive script.

Paul Robinson  
Chief Executive Officer  
Sherwood Forest Hospitals NHS Foundation Trust

## **Overview of Performance**

This section summarises our organisation's purpose, history, objectives and key risks.

## **Our History and Structure**

Sherwood Forest Hospitals was formed in 2001 and gained Foundation Trust status in 2007. We provide outstanding healthcare across the community to 350,000 people in Mansfield, Ashfield, Newark, and Sherwood and parts of Derbyshire and Lincolnshire. We employ more than 6,000 people in our three hospitals – King's Mill, Newark and Mansfield Community - and at Ashfield Health and Wellbeing Centre. We have well-established relationships with partners in health and social care through the Nottingham and Nottinghamshire Integrated Care System (ICS) and the Mid-Nottinghamshire Place-based Partnership.

We have five clinical divisions: Urgent and Emergency Care; Medicine; Surgery, Anaesthetics and Critical Care; Women's and Children's; and Clinical Support, Therapies and Outpatients. Each of which has a medical, nursing and managerial lead, a triumvirate, and they are supported by a corporate division.

Our Trust is managed by the Board of Directors, which is responsible for the management and performance of the organisation and for setting the future strategy. The Board ensures the quality and safety of healthcare services, education, training and research delivered by the Trust and applies the principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission, and other relevant NHS bodies. It also makes sure that we exercise our functions effectively, efficiently and economically.

As a Foundation Trust we have a Council of Governors, which works with the Board of Directors and represents the interests of our members in the planning of services. The Governors play an important role in the delivery of safe, high-quality care. They are elected by our public and staff members or appointed to represent community partners, such as the local councils and commissioners.

King's Mill Hospital, where 90% of our services are based, is rated Outstanding by the Care Quality Commission and Newark Hospital and Mansfield Community Hospital are both rated Good. Our maternity services were reviewed in 2023 and achieved a good rating. All 14 our other services are rated Good for Safety with five Outstanding services.

Safe, patient centred care is delivered by well supported people and in 2023 colleagues at Sherwood rated us as being the best place to work across all acute trusts in the Midlands region in the National Staff Survey.

In March 2021 the Trust was recognised as the Acute or Specialist Trust of the Year in the prestigious Health Service Journal Awards. The HSJ awards are the most coveted accolade in UK healthcare and Trust of the Year is the most prestigious category within these awards.

In 2023 we achieved the Pathway to Excellence recognition for our commitment to outstanding care. The second hospital in the UK to achieve such status.

Our Neonatal Unit was also awarded Stage 2 Baby Friendly Initiative accreditation by the United Nations Children’s Fund (UNICEF). The accreditation recognises that neonatal colleagues at the Trust implement Baby Friendly standards to support parents (and siblings) to have close and loving relationships with their baby, promote the use of breastmilk and breastfeeding and encourage an environment where parents are involved as partners in care.

We achieved Gold Standard for Health and Safety, awarded by the Health and Safety Executive, demonstrating our commitment to safety.

We enjoy positive partnerships with public bodies including our three district councils and the County Council. This means we can actively contribute to the wider determinants of health and wellbeing through our collective work on the levelling up partnership and shared prosperity agenda. We have a strategic compact with Vision West Notts College and Nottingham Trent University which is delivering on meaningful employment opportunities for local people and in support of the local economy. We play an active role in the Nottingham and Nottinghamshire Integrated Care System (ICS).

## **Our purpose and activities**

Over the past year the NHS has continued to face extraordinary challenges and pressures. Our colleagues consistently demonstrate remarkable commitment to keep our patients, and each other safe. We are working hard for those patients waiting for operations and treatments, while balancing the needs of those requiring emergency care, and we are doing all we can to treat people as quickly and as safely as possible according to clinical urgency.

Our focus is on managing today while planning for the future and 2023/24 was the final year of the Trust’s 2019-2024 strategy. During the year the Trust achieved the following:

<b>To provide Outstanding Care</b>	<ul style="list-style-type: none"> <li>• The Trust developed and finalised its first Clinical Service Strategy</li> <li>• Day case surgery services have expanded at Newark Hospital with the opening of the new state of the art theatre</li> <li>• Maternity services were rated good by the CQC</li> <li>• Optimising Patient Journey (OPJ) improvement programme saw increases in the virtual ward activity and strong utilisation in the Medical Same Day Emergency Care (SDEC) with Surgical SDEC ready for go live in 2024/25.</li> <li>• Capital works at the new Community Diagnostic Centre have commenced</li> </ul>
<b>To promote and support health &amp; wellbeing</b>	<ul style="list-style-type: none"> <li>• Implementation of a single maternity oversight framework</li> <li>• Ongoing commitment to the Provider Collaborative and Place Based Partnership</li> <li>• Secured permanent funding to the Phoenix Team, which works to reduce smoking at the time of delivery</li> <li>• Strengthened partnerships with the education sector to promote local employment opportunities and contribute to the wider determinants of health and well-being</li> </ul>



	<ul style="list-style-type: none"> <li>• Worked with partners external to the NHS, including councils and the voluntary sector to focus positive effort on improving the wider determinants of health.</li> </ul>
<b>To maximise the potential of our workforce</b>	<ul style="list-style-type: none"> <li>• Delivered the Year 2 "Belonging in the NHS" supporting actions of the Trust's People Strategy 2022-2025 to support and celebrate diversity in all its forms. This included strengthening the induction process, reintroducing face to face celebratory events such as long service awards and delivery against the Equality Diversity and Inclusion Improvement Plan.</li> <li>• Delivered the Year 2 "Growing for the Future" supporting actions of the Trust's People Strategy 2022-2025 to retain talent. This included streamlining training requirements and documentation, roll out of the strengthened leadership development offer and an increase in apprenticeships across the Trust.</li> <li>• Delivered the Year 2 "Looking after our people" supporting actions of the Trust's People Strategy 2022-2025 to support our people's health and wellbeing needs. This included the development of a health and wellbeing improvement plan, trauma and risk management training and increased focus and response to violence and aggression.</li> </ul>
<b>To continuously learn and improve</b>	<ul style="list-style-type: none"> <li>• Development of a business case for a Trust-wide electronic patient record</li> <li>• Development and implementation of patient safety incident response framework</li> <li>• Embedding of the Improvement Faculty in its role providing transformational and improvement support</li> </ul>
<b>To achieve better value</b>	<ul style="list-style-type: none"> <li>• Delivered Financial Improvement Programme savings of £8.25m in 2023/24.</li> <li>• Delivered year one of a three-year Transformation and Efficiency Programme, with an ambition to deliver efficiencies in the way we operate the hospital.</li> <li>• Contributed to the local economy and businesses through employment offers, procurement opportunities and through a scheme to support people become work ready.</li> </ul>

During 2023/24 the Trust consulted with patients, our people and the community on its vision, priorities, and objectives.

2024-2029 Improving Lives – the Trust's new five-year strategy

The new strategy commences on 1 April 2024 and is summarised below.

# IMPROVING LIVES

## VISION:

Outstanding care, compassionate people, healthier communities.

### Strategic Objectives

**Provide outstanding care in the best place at the right time**

**Empower and support our people to be the best they can be**

**Improve health and wellbeing within our Communities**

**Continuously learn and improve**

**Sustainable use of resources and estate**

**Work collaboratively with partners in the community**

### Care Values

**C** Communicating and Working Together

**A** Aspiring and Improving

**R** Respectful, Inclusive and Caring

**E** Efficient and Safe

### Measures of success

- Be rated Outstanding by the CQC
- Increase the percentage of our people who recommend Sherwood Forest Hospitals as a place to work
- Increase the percentage of people who recommend Sherwood Forest Hospitals as a place to be cared for
- Improve the number of people engaging in healthy choices and behaviours
- Be recognised locally and nationally as an organisation that is committed to partnerships

Scan the QR code for the full Trust Strategy and delivery plans.



## The Nottingham and Nottinghamshire Provider Collaborative at Scale

Provider collaboratives are partnerships of at least two trusts working across multiple places with a shared purpose. All statutory NHS Providers have to be involved in at least one provider collaborative. National guidance on the role and function of the Provider Collaboratives<sup>1</sup> set out three key aims:

- To reduce unwarranted variation and inequality in health outcomes, access to services and experience

<sup>1</sup> [B0754-working-together-at-scale-guidance-on-provider-collaboratives.pdf](https://www.england.nhs.uk/publication/b0754-working-together-at-scale-guidance-on-provider-collaboratives.pdf)  
([england.nhs.uk](https://www.england.nhs.uk))

- To improve resilience by, for example, providing mutual aid
- To ensure that specialisation and consolidation occur where this will provide better outcomes and value.

Provider collaboratives are a component of Integrated Care Systems (ICSs). Effective collaboratives can help streamline the relationships between ICSs, providers and wider partners to integrate care and respond to the needs of local communities.

The Nottingham(shire) Provider Collaborative at Scale brings together the five statutory NHS providers across Nottingham and Nottinghamshire - Sherwood Forest Hospitals NHS Foundation Trust (SFH), Nottinghamshire Healthcare NHS Foundation Trust (NHT), Nottingham University Hospitals NHS Trust (NUH), Doncaster and Bassetlaw Teaching Hospitals NHS Foundation Trust (DBH) and East Midlands Ambulance Service NHS Trust (EMAS). The Trust contributes overarching resource across the structure providing representatives at the Chair and CEO Forum, Provider Leadership Board, Distributed Executive Group and working groups.

## **2023/24**

The focus of the Provider Collaborative over the last year has been on the priorities in urgent and emergency care and workforce, including putting in place the necessary programme governance, leadership, and monitoring and evaluation process.

The Collaborative has established a Distributed Executive Group, comprising of executive directors from across member organisations. It has also strengthened its operating model and associated governance.

The continued development and delivery of the people and culture work programme, which consists of four sub-workstreams of talent management, portability/passporting, scaling up people services, and flexible workforce. This early work has successfully secured £250k of pump priming funding through the national Vanguard programme.

Scoping and development of the urgent and emergency care workstream was undertaken through the year and, following the identification of a more efficient vehicle for change, was paused in October. The workstream will be replaced.

## **Risks to delivery of objectives**

Our vision, values and strategic objectives express our ambition for outstanding care provided by compassionate people leading to healthier communities. In the next five years we want to be known as an outstanding local hospital that consistently delivers quality services for our patients and improves lives. We will achieve this by delivering consistently outstanding care by compassionate people who feel enabled and supported to do their best by Sherwood Forest Hospitals. If our people recommend us as the provider of choice for their family and friends and as a place to work, we will have gone a long way to meet this ambition.

Through our risk and control framework the Board of Directors regularly scans the horizon for emergent opportunities or threats and considers the nature and timing of the response required to ensure risk is always kept under prudent control.

The most significant strategic risks facing us continue to be: (i) a significant deterioration in standards of safety and care; (ii) demand that overwhelms our capacity to deliver care effectively; (iii) critical shortage of workforce capacity and capability; and (iv) failure to achieve the Trust's financial strategy.

These risks are interrelated and incorporated into the Board Assurance Framework (BAF) and each has a lead executive director and a lead subcommittee. It is not envisaged these risks will change over the coming year. The Internal Audit Plan and Counter Fraud Plan are approved by Board members and are aligned, where appropriate, with the principal risks in the BAF.

Working in partnership through the Integrated Care System, our Provider Collaborative and Placed Based Partnerships is a fundamental mitigation to our risks. Our continued focus is on improving our internal working processes and practices to ensure patients receive high quality care in a timely manner, while also using our size, scale and reach to influence the health and wellbeing of our communities, particularly targeting those that we are not engaging with as well as we could.

Further detail about our risk management approach is included in the Annual Governance Statement, later in this report.

### **How we are using our FT status to develop services and improve patient care**

We are dedicated to realising our vision of healthier communities and outstanding care for all. This vision statement includes our commitment and ambition to excel and continually improve the quality of our services. Our four core "CARE" values underpin this and describe the way in which we will operate:

Communicating and working together,

Aspiring and improving,

Respectful and caring,

Efficient and safe.

We develop our services and improve patient care based on evidence. We proactively seek and use feedback from patients and staff, as well as analysing data that benchmarks the performance of our services against other Trusts. It is vital that our culture engenders a desire to improve and innovate. That is why we train colleagues in our improvement methodology. This supports them to take a systematic approach to improvement, empowering colleagues to turn good ideas into sustainable reality.

## Going concern

The going concern concept is further covered in IAS 1 – ‘Presentation of Financial Statements’. IAS 1 requires management to assess, as part of the account’s preparation process, the Trust’s ability to continue as a going concern. Foundation Trusts therefore need to pay particular attention to going concern issues. In the event that a Foundation Trust is dissolved by NHS England any property or liabilities of the Trust may be transferred to another Foundation Trust, an NHS Trust or the Secretary of State.

The majority of the Trust’s funding for 2023/24 came through the Nottingham & Nottinghamshire ICB (N&NICB) via an Aligned Payment Incentive (API) contract, which includes both fixed and variable elements. The API variable element means trusts are paid 100% of NHS Payment Scheme (NHSPS) unit prices for elective activity, which covers most elective ordinary and day case outpatient procedures with an NHSPS unit price, outpatient first attendances, unbundled diagnostic imaging and nuclear medicine, and chemotherapy delivery. The fixed element includes funding for all expected activity other than the variable elements. Similar contracts are in place with Derbyshire and Lincolnshire ICBs.

As part of the 2023/24 plan an efficiency target of £27.5m was built in to meet the planned break-even position. This includes centrally managed cost savings and income generation schemes, as well as a Financial Improvement Programme of £10.0m which is managed by divisions with the support of the Trust’s Improvement Faculty. The reported financial efficiency delivery for the year is £25.5m, of which £10.5m is recurrent and £15.0m non-recurrent.

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Throughout the year the trust has continued to review pay, non-pay and income in order to agree the efficiency target/plan for 2024/25. This has been set at £27.14m which represents 5.0% of turnover.

For the year ending 2023/24 the Trust is reporting a deficit of (£12.42m) which includes the impact of impairments/gains on the valuation of buildings. Removing this impairment loss/gain, which was (£0.85m), we are reporting a deficit of (£11.57m). This is adverse to our target outturn for 2023/24, agreed with NHSE in December 2023, primarily driven by the non-receipt of community diagnostic income in March of £5.5m.

Due to the in year additional deficit to the plan, revenue support of £11.0m was requested and received in 2023/24 against a planned full year outturn of nil. At the time of writing this update no request has been received from the Department of Health and Social Care (DHSC) for any return of this additional revenue PDC. In addition, due to the Private Finance Initiative (PFI) liabilities and associated repayment of borrowing, depreciation does not self-fund the Trust’s capital expenditure, therefore a Public Dividend Capital (PDC) request for £6.5m was submitted and agreed to support the capital programme.

During the year a range of additional National capital programmes were initiated by NHSE and the Trust was successful in obtaining funding for some of these programmes. This has resulted in the Trust being awarded additional PDC of £2.6m above the agreed ICB base capital funding for 2023/24. Funding was also received in respect of National capital programmes approved in 2022/23 of £13.6m.

In year the Trust restated the PFI creditor due to the implementation of IFRS16. This has resulted in a negative Statement of Financial Position (SOFPI); and there is now a significant liability in respect of the PFI which will reduce over the remaining term of the contract. In year the Trust did not pay any PDC, based on 3.5% of the net average value of assets due to the impact of IFRS 16 re-measurement.

The financial framework for 2024/25 has been issued and in line with this guidance a draft financial plan, which includes capital, was submitted on the 21 March 2024 and a final plan will be submitted on 3 May 2024. The plan submitted was agreed with the ICS partners and indicates a surplus/deficit of (£14.05m) and a capital programme of (£31.84m). As detailed above the plan includes forecast efficiencies of (£38.45m)

The 2024/25 plan assumes the continuation of funding mechanisms in place throughout the 2023/24 financial year.

In applying the Trusts accounting policies management are required to make judgements, estimates and assumptions concerning the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and assumptions are based on historical experience and any other factors that are deemed relevant. Actual results may differ from these estimates and are continually reviewed to ensure validity remains appropriate. These revisions are recognised in the period in which they occur or the current and future periods, as appropriate.

## **Performance Overview**

The NHS operational priorities for 2023/24 provided focus for acute Trusts to recover core services to improve patient safety, outcomes, and experience by improving ambulance response and A&E waiting times and reduce elective long waits and cancer backlogs and improve performance against the core diagnostic standard.

The national position for both Urgent and Emergency Care (UEC) and planned care (elective, cancer, and diagnostics) remained challenged in 2023/24 due to three key reasons:

1. The NHS continues to deal with significant patient backlogs that developed during the early phase of the Covid-19 pandemic.
2. Frequent instances of Industrial Action throughout 2023/24 resulted in curtailments in planned care activity across the NHS with staff working hard to maintain access to services for those patients presenting with urgent clinical needs.
3. Demand for UEC services has been high particularly over the winter period with attendance and admission surges and growth outstripping planned levels.

In 2023/24 our key initiatives included:

- Investing to increase our substantive workforce in our Emergency Department and across our bed base.
- Implementing revised operational processes e.g. streamlining processes for ambulance handover supporting further improvement against the 15 minute ambulance handover target.



- Delivering insourcing, outsourcing, additional sessions, and mutual aid to support increases in planned care activity supported by the national Elective Recovery Fund (ERF) and Community Diagnostic Centre (CDC) funding.
- Opening a new theatre at Newark Hospital as part of our Targeted Investment Fund.

The challenges detailed above, which are common across the whole NHS, meant that performance against some of our key targets fell short despite our best efforts.

- Our four-hour emergency access performance deteriorated in-year, improving in March 2024 following sustained local and national focus.
- Ambulance handover remains an area of strength for SFH with performance best in the region and within the top 10 nationally.
- Our elective long waits, cancer 62-day backlog and diagnostics positions all deteriorated and then improved in-year.
- For our cancer patients we consistently delivered against the 28-day faster diagnosis standard and met our planned two-week wait 62-day backlog target that we set ourselves at the start of the year.

In common with previous years, throughout 2023/24 we prioritised treating patients in most need of clinical attention.

## **Performance Analysis**

The Trust's vision in 2023/24 was healthier communities and outstanding care for all. To achieve this, we have a Performance Management Framework (PMF) that tracks and evaluates our progress with routine performance reporting to our Trust Board and sub-committees.

## **Performance Management Framework**

Our Performance Management Framework (PMF) specifies the structures, systems, processes, and responsibilities required to embed a culture of performance management and accountability. Effective implementation supports the delivery of national standards and the Trust's quality, financial and operational objectives. Our performance management and oversight mechanisms support people to excel, whilst managing, understanding, and rectifying performance issues. Our performance management approach is aligned to the Single Oversight Framework, reporting in an integrated approach against quality care, timely care, best value care and people and culture with key performance indicators supporting the delivery of our annual strategic priorities.

Performance issues are escalated through service-line reporting to bi-monthly divisional performance reviews. Divisional performance reviews inform performance escalation and assurance reporting to Trust Board and sub-committees.

We review our key performance indicators and performance report on at least an annual basis to remain aligned to both external and local strategic priorities. We also consider our performance against local Trusts and nationally with benchmarking reports shared with our

clinical divisions and benchmark data sitting alongside our local data in many of our Trust Board and sub-committee reports.

## **Performance against key operational standards in 2023/24**

In the sections below we describe a summary of operational performance for each patient care pathway.

### **Urgent and Emergency Care (UEC)**

Demand for UEC services has been high throughout 2023/24 and particularly over the winter period with attendance and admission surges and growth outstripping planned levels. The pressure on our services from high patient demand has been sustained, much like many acute Trusts across the country. The combination of high attendance and admission demand, length of stay pressures and mismatches in admission and discharge times meant that, at times, patient demand exceeded the capacity of our hospitals. Whilst progress was made in quarters three and four to reduce the number of medically safe and long stay patients in our hospitals, the benefit did not result in reduced bed occupancy due to growth in admission demand.

Unfortunately, our four-hour emergency access performance deteriorated in-year, improving in March 2024 following sustained local and national focus. Despite the demand challenges, we continued to provide timely ambulance handover with a step change improvement in our 15-minute handover performance from November 2023 as we introduced new handover processes. We consistently benchmark as the best Trust in the region for ambulance handover and are within the top 10 nationally. We continue with a strong medical Same Day Emergency Care (SDEC) offer exceeding national targets and are excited to launch surgical and frailty SDEC in 2024/25.

We have six times daily flow meetings to provide oversight and to agree actions to mitigate potential flow issues that might delay timely patient transfer into, through and out of our hospitals. We have made developments in how we are using our information systems to gain real-time oversight of key performance indicators to support decision-making to provide the best possible care to our patients.

The Integrated Care System UEC Delivery Board, attended by leaders from across health and social care in Nottingham and Nottinghamshire, continues to oversee improvement plans for UEC. To deliver consistently better access to emergency care remains one of our top priorities for 2024/25, making sure there is sufficient system capacity to care for emergency patients alongside delivering planned care to those who have been waiting.

## **Planned Care**

The heightened backlog of elective patients that developed over the course of the early phase of the pandemic continues to have an adverse impact on our ability to deliver against the national planned care standards.

Our elective long waits and diagnostics positions all deteriorated and then improved in-year as we faced pressure on our planned care pathways due to the frequent instances of Industrial Action. During instances of Industrial Action staff working on planned care pathways were often needed to support patients presenting and at our hospitals requiring immediate clinical attention.

The national requirement to meet zero 78-week waiters continues to be missed due to a mixture complexity or patient choice with five patients waiting greater than 78-weeks at the end of March 2024. The number of 65-week waiting patients began to reduce during quarter with further work required in 2024/25 quarters one and two to ensure no patients are waiting more than 65-weeks unless due to patient choice. We continue to work together as a system with patients being transferred between providers as part of mutual aid arrangements. We are benefiting from some mutual aid to help with our Echocardiograph position, one of our underperforming diagnostic tests, which together with insourcing plans is gradually helping us to reduce the significant backlog. Again, further focused work to support a reduction in the number of patients waiting for an Echocardiograph will continue in 2024/25.

We have successfully increased the number of outpatient appointments and daycase procedures often exceeding planned activity levels. Our overall diagnostic activity levels remain strong; albeit with further work to improve the timeliness of diagnostics to achieve pre-pandemic levels of performance against the relevant constitutional standards. The planned development of a diagnostic hub at Mansfield Community Hospital is progressing with building works taking place in 2024/25.

Access to the independent sector has supported patient care with joint working with this sector planned to continue. We made use of additional sessions together with insourcing and outsourcing options to increase capacity in areas under pressure. We do have some areas across our outpatient, diagnostic and treatment services with large backlogs that we are working hard to address. This will be a key focus of 2024/25.

We have made excellent use of Patient Initiated Follow Up (PIFU) pathways, delivering against the national ambition with more work planned to ensure that patients only return to hospital when needed.

We plan to continue to focus heavily on the recovery of our clinical services in 2024/25, which in turn will support the recovery of our underperforming planned care operational performance standards.

## **Cancer standards**

For our cancer patients we consistently delivered against the 28-day faster diagnosis standard and met our planned two-week wait 62-day backlog target that we set ourselves at the start of the year (our local target was more ambitious than the national fair shares target). Throughout the Covid-19 pandemic we prioritised the diagnosis and treatment of patients with suspected cancers when other less urgent surgery was paused. Like other organisations we have seen growth in Cancer two-week referrals following a similar increasing trend seen over the last decade.

In October 2023 revised national cancer waiting time standards were launched with the original 10 standards reduced to three. We revised our performance reports to reflect the refreshed guidance.

We have specific tumour site challenges impacting on our 31-day and 62-day cancer performance with specific actions plans in place for skin and lower gastrointestinal.

We remain focussed on progressing actions to mitigate the risks to our cancer standards on a month-by-month basis, while addressing the underlying challenges that have been compounded by the pandemic, instances of Industrial Action and growing patient demand.

## **Forward look**

Improving people's lives and experience of care is at the heart of what matters to us and helps to drive the change we want to see. It is widely accepted nationally that the current speed of change across health and social care, such as the spread and adoption of new ideas is too slow to meet current and upcoming challenges including higher demand for health and care.

The NHS remains in unprecedented times, balancing multiple priorities including UEC attendance and admission surges in demand, planned care waiting list challenges and ongoing pressure from Industrial Action.

Throughout 2023/24 we have innovated and developed our services and collaborated with system partners with some key initiatives listed in the earlier performance overview section. As we look forward to 2024/25, we have further exciting developments including:

- Expand our Same Day Emergency Care (SDEC) services with the launch of Surgical SDEC and Frailty SDEC.
- Open our new discharge lounge – a dedicated facility to support the timely transfer of patients ready to leave our hospital from either our Emergency Department or one of our acute wards.
- Improve our discharge processes with a new team of Discharge Coordinators supporting our ward-based teams and working with patients and their families.
- Open, refurbished procedure rooms at Newark Hospital.
- Deliver key improvement programmes for outpatients, theatres and to support optimised patient length of stay.

## **Emergency Planning Resilience & Response (EPRR)**

The Trust has an Accountable Emergency Officer (our Chief Operating officer) with Board level responsibility for emergency preparedness.

As a category 1 responder under the Civil Contingencies Act there are a number of legal obligations:

- Plan for Emergencies
- Assess Risk
- Have Business Continuity Systems in place
- To Warn and Inform the Community
- Cooperate with Other Responders
- Share information with Other Responders

Annually the Trust is assessed against the (circa) 62 core standards for emergency preparedness and is currently rated as “Partially Compliant” with an 82% rating. The Trust, on an on-going basis, engages with its partners to assess risk and plan for system-wide incidents and emergencies, and has responded to various incidents over the past twelve months, such as flooding (from Storm Babet) and extreme operational pressures.

The EPRR structure has also been utilised to successfully manage on-going industrial action.

Reporting directly to the Accountable Emergency Officer, the Emergency Planning Officer operates within an annual workplan, which includes regular exercising and testing of plans and training of relevant response staff.

The risk of a major disruptive incident is captured as Principal Risk 7 within the Trust’s Board Assurance Framework.

## **Accountability Report**

### **Directors' Report**

#### **Board of Directors**

The Board of Directors is the team responsible for the management and performance of the organisation and for setting the future strategy. Our Board has overall responsibility for the preparation and submission of the Annual Report and Accounts; the Board considers the Annual Report and Accounts, taken to be fair, balanced, and understandable, and provides the information necessary for patients, regulators, and other stakeholders to assess the Trust's performance, business model, and strategy.

The primary responsibility of our Board of Directors is to promote the long-term success of the organisation by creating and delivering high quality services within the funding streams available. Our Board seeks to achieve this through setting strategy, monitoring strategic priorities, and providing oversight of implementation by the Executive Management Team. In establishing and monitoring its strategy, our Board considers, where relevant, the impact of its decisions on wider stakeholders including staff, partners, and the environment.

So far as the Directors are aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware, and the Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to ensure the NHS Foundation Trust's auditor is aware of that information.



The individuals who served at any time during the financial year as directors were as follows:

Name	Job Title	Commenced in post	Seconded to another role	Termination date
Claire Ward	Substantive Chair	01/10/2021		
Barbara Brady	Non -Executive Director	01/10/2018		
	Senior Independent Director	01/11/2021		
Graham Ward	Non-Executive Director	01/12/2015		
Manjeet Gill	Non-Executive Director	01/11/2018		
Steve Banks	Non-Executive Director	01/12/2021		
Dr Aly Rashid	Non-Executive Director	10/01/2022		
Dr Andy Haynes	Specialist Advisor	18/04/2021		
Andrew Rose-Britton	Non-Executive Director	01/04/2022		
Neil McDonald	Non-Executive Director	07/12/2023		
Paul Robinson	Interim CEO	01/10/2021		31/03/2022
	Substantive CEO	01/04/2022		
Dr David Selwyn	Executive Medical Director	09/12/2019		
Philip Bolton	Chief Nurse	30/05/2022		
Shirley Higginbotham	Director of Corporate Affairs	04/04/2013		31/05/2023
Rachel Eddie	Chief Operating Officer	25/07/2022		
Richard Mills	Interim Chief Finance Officer	01/10/2021		
	Chief Finance Officer	10/06/2022		
Rob Simcox	Director of People	10/06/2022		
David Ainsworth	Director of Strategy and Partnerships	01/07/2022		31/03/24
Sally Brook Shanahan	Director of Corporate Affairs	15/05/2023		
Claire Hinchley	Acting Director of Strategy and Partnerships	29/02/2024		

The balance, completeness and appropriateness of our Board membership is reviewed periodically and upon any vacancies arising among either the Executive or Non-Executive Directors. The balance of skills is appropriate to the requirements of the organisation. Board Directors are required to declare any interests that are relevant and material on appointment,

or should a conflict arise during their term. A register of Board members' interests is maintained by the Director of Corporate Affairs and is published annually as covered later in this Annual Report. Board Directors are also required to meet the Fit and Proper Persons Test, the new, strengthen framework for which came into force on 30<sup>th</sup> September 2023, and which is evidenced in their individual personal files.

The Chair, Claire Ward, is also a Non-Executive Director of Institute for Collaborative Working, a not for profit membership organisation and professional business institute working across a number of different sectors to promote collaborative working and the implementation of ISO 44001, Director of Pharmacists Defence Association Ltd, a Non-Executive Director of Groupe Eurocom Ltd., a member of the Advisory Board to Alliance Healthcare Limited and owner of Capewells Limited, a consultancy company which acts for a number of pharmacy and pharmaceutical companies and organisations and organisations and was been selected as the Labour Party candidate for the East Midlands Regional Mayor (covering Nottinghamshire and Derbyshire) on 3rd August 2023.

### Attendance at Board meetings

	Public		Private	
Name	Actual	Possible	Actual	Possible
Paul Robinson	12	12	13	13
Dr David Selwyn	12	12	13	13
Shirley A Higginbotham	1	2	1	2
Sally Brook Shanahan	10	10	11	11
Richard Mills	11	12	12	13
Rob Simcox	11	12	12	13
Philip Bolton	11	12	11	13
David Ainsworth	10	11	11	12
Rachel Eddie	9	12	9	13
Claire Hinchley	1	1	1	1
Claire Ward	12	12	13	13
Graham Ward	12	12	13	13
Barbara Brady	11	12	11	13
Manjeet Gill	11	12	12	13
Steve Banks	11	12	12	13

Dr Aly Rashid	9	12	10	13
Dr Andy Haynes	9	12	10	13
Andrew Rose-Britton	11	12	12	13
Neil McDonald	3	4	3	4

## **Register of Interests**

The Register of Interests for all members of our Board is reviewed regularly and published annually on our website <https://www.sfh-tr.nhs.uk/about-us/register-of-interests/>. The register is maintained by the Director of Corporate Affairs, who is based at Sherwood Forest Hospitals NHS Foundation Trust, Trust Headquarters, Level 1, King's Mill Hospital, Mansfield Road, Sutton-in-Ashfield, Nottinghamshire, HG17 4JL.

All members of our Board and Council of Governors must disclose details of company directorships or any other positions held, in general and more specifically with organisations who may trade with the organisation.

We maintain NHS Litigation Authority insurance, which gives appropriate cover for any legal action brought against our directors to the extent permitted by law.

## **Cost allocation**

We have complied with the cost allocation and charging requirements as set out in HM Treasury and Office of Public Sector Information guidance.

## **Political donations**

In accordance with historical and intended future practice, no political donations were made during the year ended 31<sup>st</sup> March 2024.

## **Better Payment Practice Code**

Unless other terms are agreed, we are required to pay our creditors within 30 days of the receipt of goods or a valid invoice, whichever is the later. This is to ensure that we comply with the Better Payment Practice Code.

The Trust compliance fell in year against the 95% in year target. This has been reported to and is being monitored by the Audit and Assurance committee.

Our performance against this metric is shown as follows:

	<b>2023/24</b>		<b>2022/23</b>	
	Number	£000s	Number	£000s
Total non-NHS trade invoices paid in the year	74,280	315,407	72,102	279,445
Total non-NHS trade invoices paid within target	61,820	295,635	57,395	260,685
Percentage of non-NHS trade invoices paid within target	83%	93%	80%	93%
Total NHS trade invoices paid in the year	2,214	30,043	2,102	30,026
Total NHS trade invoices paid within target	1,791	28,512	1,743	28,709
Percentage of NHS trade invoices paid within target	80%	95%	83%	96%

### **Late Payment Interest**

Legislation is in force which requires Trusts to pay interest to small companies if payment is not made within 30 days, known as the Late Payment of Commercial Debts (Interest) Act 1998. The Trust paid £2k in claims under this legislation. The total potential liability to pay interest on invoices paid after their due date during 2023/24 would be £ 25.61k. (2022/23 £15.82k). There have been minimal claims under this legislation, therefore the liability is only included within the accounts when a claim is received.

All of this relates to non-NHS invoices, and none relates to NHS healthcare contracts.

### **Income Disclosures**

We have met the requirement under Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purpose. Other income generated by us was used to support the provision of our health services.

### **Well-Led Framework**

Grant Thornton undertook an external Well-led review of the organisation, delivering its final report to the Trust in March 2022.

The Well-Led review is an important assessment for the Trust, not only because trusts are expected to advise NHSE of any material governance concerns that have arisen from the review and the action plan in response to those concerns, but more importantly because it provides the opportunity for the Trust to fully understand the strengths and weaknesses of its current governance arrangements and implement actions at an appropriate pace.

The initial report detailing the 15 recommendations was presented to Board in April 2022 and further update reports in August 2022, February 2023, August 2023 and March 2024. At the March 2024 meeting the current status and embeddedness in relation to the recommendations was reported. A decision was taken to conclude the on-going monitoring of the actions from the 2022 Grant Thornton Report and commission a follow-up external Well-Led report in the context of the CQC's updated assessment framework.

The Care Quality Commission inspected us during 2020 and assessed our overall Trust Well-Led score as Good, and King's Mill Hospital Outstanding.

## **Patient Care**

Our vision to support the local people to be healthier is supported by our values of:

Communicating and working together

Aspiring and improving

Respectful and caring

Efficient and safe.

We have robust systems and processes in place to enable colleagues to celebrate where we provide excellent, safe, high-quality care, but also quickly identify areas of focus for further improvement.

Patients at King's Mill Hospitals' Emergency Department have reported that they are some of the most respected patients in the region and are receiving some of the best care and treatment according to the latest independent Care Quality Commission Urgent and Emergency Care patient survey. Sherwood Forest Hospitals has scored well for the way doctors and nurses treat patients in its Emergency Department (8.5 out of 10), the care and treatment they received (8.4 out of 10), the environment and facilities (8.6 out of 10) and the respect and dignity patients receive (9.2 out of 10).

## **Quality Strategy**

The Quality Strategy sets out our approach to ensuring each patient contact is safe and effective and builds on the robust foundations of quality. The strategy outlines our objectives and the outcomes we want for our patients and demonstrates our commitment to ensuring that high standards of quality and patient care are delivered.

We are proud of in our achievements during the last 12 months. We have continued to make, and sustain, improvements in quality and safety whilst facing significant operational pressures.

### **Campaign One: Create a positive practice environment to support the delivery of safest and most the effective care:**

#### **How have we performed:**

- Gained accreditation and awarded the Pathway to Excellence designation by the American Nurses Credentialling Centre (ANCC)
- Our Pathology, Pharmacy and Decontamination departments have maintained their accreditation for a further year.
- We have developed an e learning package for new starters and since April 2023 have had 0 lapses in care from falls with harm.
- EPMA is now live across the Trust in Medicine, Surgery and UEC division.
- Campaign Two: Excellent patient experience for users and the wider community

#### **How have we performed:**

- Recent recruitment of four Patient Safety Partners, who supported the launch of PSIRF, this role out will continue to be embedded and will develop moving forwards with consideration to audits, recruitment and feedback campaigns.
- We continue to produce monthly patient stories, allowing shared learning, improvement, and positive working.
- We are very proud of our Patients are encouraged to provide feedback during the 15 Steps Challenge, seeing discussions taking place with executive team members, senior leaders, Non-Executive Directors, and Trust Governors.

### **Campaign Three:**

#### **Strengthen and sustain a learning culture of continuous improvement.**

#### **How have we performed:**

- The Patient Safety went live on 2 October 2023 following approval of the Patient Safety Incident Response Plan and policy and is now embedded across the Trust.
- An oversight group was formed to provide assurance to the Quality Committee and Board.
- People strategy was launched in June 2023

### **Campaign Four:**

#### **Deliver high quality care through kindness and supporting each other.**



## How have we performed:

- The Trust Reward and Recognition Strategy was refreshed in 2023.
- Enhanced visibility of Trust recognition awards with the return to face-to-face annual Excellence awards
- Further promotion of recognition opportunities (Daisy and Tulip)
- Focus on reduction of violence and aggression: strategic group formed with Executive and Safeguarding representation.
- TRiM Pilot is underway and progress will be evaluated on completion.
- Staff survey published in October 2023 showed a 62% response rate, 3<sup>rd</sup> best for recommending Sherwood as a place of work and best in the Midlands for recommending the Trust for care.

Patient safety, clinical effectiveness and quality care remain at the heart of our strategic vision. Every day, our colleagues demonstrate their commitment to providing outstanding patient-focussed care, as they strive to do their very best, in often difficult circumstances. To support our colleagues, we remain committed to '*strengthening and sustaining a learning culture of continuous improvement*', a commitment that is firmly embedded within our Quality Strategy. This commitment aims to outline and highlight how we will deliver patient-centred care, support our colleagues by providing the best possible practice environment and by exploring, scoping, and adopting examples of clinical best practice. We will do this through collaboration with our health and social care partners across Nottinghamshire and through the work of the Improvement Faculty, which was launched in May 2023. The main purpose of the Improvement Faculty is to provide a centrally located, single point of contact for all colleagues and teams seeking help and advice on any aspect of improvement, change management and transformation. The overarching aims of the Faculty are to improve the quality of patient care, improve the experience of those who use our services, improve clinical outcomes, improve the working lives of our colleagues, and help the Trust to make best use of its resources. The Faculty therefore provides an evidence-based improvement offer that will help the Trust to embrace the cultural aspects of improvement, address the immediate priorities and help plan for longer-term challenges.

Since its inception, the Faculty have supported 11 major Transformational Programmes, continued to deliver 7 different training programmes (including contributing to the system wide Quality, Service Improvement and Redesign (QSIR) practitioner programme), supported every clinical division in the delivery of financial improvement and have responded to over 100 additional requests for ad-hoc support. In addition, the Faculty has brought together a multitude of partner services (for whom Improvement is a part of their role) through the establishment of a multi-professional 'Improvement Advisory Group'.

The work of the Improvement Faculty will be supported by the development and implementation of a Continuous Quality Improvement Strategy (CQIS); the purpose of which is to set out the Trusts ambition and aspirations in terms of delivering strategic objective 4 of the Trusts Strategy 2024-29 'Improving Lives'. Strategic objective 4 is to 'Continuously Learn and Improve'. A strong culture of continuous improvement will enable better outcomes for our patients, our service delivery and safety, our people's experience, our finances and our population's health and wellbeing.

The CQIS will be launched in late spring 2024, and through the development and delivery of an associated action plan, the emphasis in terms of measuring impact will move away from being focused on the role of the Faculty, and instead focus on the impact of the CQIS. This will include a broad range of measures, including (but not limited to):

- a. How effectively do we implement learning from patient safety incidents, clinical audits and other sources of clinical data and intelligence.
- b. How we measure against nationally set improvement maturity standards.
- c. The knowledge and skills of the wider organisation and whether those who have undertaken improvement training are given opportunities to undertake improvement activity.
- d. The views and perception of how the organisation is continuously learning and improving, which we'll measure through the outcomes of the national staff survey and other sources of feedback and views.

### **Enhanced Quality Governance**

The Trust's quality governance and leadership structure ensure that the quality and safety of care is routinely monitored across all services. The Board is committed to quality governance and ensures that the combination of structures and processes at Board level and below supports quality performance throughout the Trust. The effectiveness of the Trust's governance arrangements is regularly assessed through internal and external audit. The Trust has well developed, robust structures and reporting mechanisms to ensure that quality goals are identified, monitored and, where performance is sub-standard action is taken to rectify the situation. The Patient Safety Committee provide oversight for quality governance arrangements within the Trust. The reporting structure from 'ward to board' provides the required assurances that our patients receive the high quality, safe care they deserve.

The Patient Safety Committee (PSC) are overseen by the Executive Team, and meet monthly, providing a reporting and assurance role to the Trust Board's Quality Committee. Performance information related to quality and patient safety metrics are reviewed and cross referenced with other intelligence available to the governance team prior to inclusion in Trust performance and quality reporting, the metrics are regularly reviewed. The PSC work plan is aligned to that of the Quality Committee. Sub-groups provide assurance in relation to compliance with CQC essential standards and NICE guidance, risks to clinical quality are proactively identified, prioritised, and managed. Effective learning is embedded from serious incidents and Duty of Candour, inquests and claims, complaints, and patient feedback.

The Trust has not had any onsite inspection from the CQC during 2023/24. The recently relaunched quarterly engagement meetings maintain an excellent relationship with the CQC who are invited to the Patient Safety Incident Review panels, Patient Safety committee and the Patient Safety incident response Oversight Group. We encouraged them and our Integrated Care Board colleagues to visit wards and departments on a regular basis.

## **Involvement of Governors**

Our Council of Governors have continued to play an important role in the delivery of safe, high-quality care, working in partnership with the Board of Directors, giving them support and advice to help shape the Trust's plans and ensure high quality services are delivered. During 2023/24 members of the Governing Body have taken an active role in our formal and informal visits to wards and departments, and have provided an invaluable, impartial, and observational perspective on how we conduct business. They continue to support our Quality Committee acting as representatives of patients, the public and staff and providing a direct link between the Trust and the communities they represent.

## **Patient Care: Improvements in patient/carer information**

The patient information service continues to provide specific and tailored information, education, and support. Information is evidence-based, clinically accurate, up-to-date, and written in a way to enable patients and their families/carers to better understand their care and treatment.

Leaflets are stored in an easily accessible patient information library on the Trust's website. Accessibility tools and information on interpreting and translation are available.

The patient information leaflet section on our intranet site helps colleagues in their production of patient information leaflets for their respective specialties/services. As well as a policy and instructions on how to create a new/reviewed leaflet, accessible information, and health literacy (including a literacy checker) pages are available to further educate colleagues.

To tackle health inequalities, mainly poor health, and digital literacy among the local population, we signed the Patient Information Forum (PIF) Health and Digital Literacy Commitment Charter in 2020. Aspiring to become health and digital literacy friendly, accredited training sessions were put in place for Trust staff to learn how to implement techniques to enhance approaches and practice that effectively support people with low levels of health and digital literacy.

To further improve effective patient communication, a series of QR code posters have been introduced across the Trust linking to relevant Trust-approved patient information leaflets. The aim is to get the information patients need directly on to their digital devices where they can access it more easily. These posters will not completely replace direct website downloads or paper copies of leaflets (due to poor digital literacy), they will enhance the service, while also supporting the Trust's Green Plan commitments by reducing use of paper.

Following a comprehensive accessibility of the Trust's public-facing website, further work has been planned for 2024/25 to make it even easier for patients to access this vital information online.

## **Complaint Handling**

SFH is committed to resolving any concerns at the earliest opportunity and this is often achieved through the patient, relative or carer discussing their concerns directly with the team. The Patient Experience Team (PET) is available to provide confidential advice and support to any patient, relative or carer who may not feel comfortable raising their concern with the department or service directly, or, where they have done so but their concern remains unresolved. The PET aims to resolve any concerns that are raised with them quickly and informally.

SFH operates a centralised complaints service. It ensures that a patient-centred approach is taken to the management of complaints. All complaints received are thoroughly investigated and responded to within a timely manner, within an agreed timescale ranging from 25 to 60 working days dependent on complexity. It was recognised that the blanket 25-day timescale for completion for all complaint responses, regardless of complexity, is no longer achievable with the current resource available. This means that complainants will be advised of a more realistic expected response date and therefore reducing the frustration often felt by complainants when responses are overdue.

Learning and improvements that result from individual concerns or complaints are also analysed to identify any themes and the intelligence generated is shared across the organisation to drive the necessary improvements.

During 2023/24 to date we have received 290 complaints, a 19% increase compared to 2022/23, this is a further increase of 26 % from the previous year. Of these, 37% were completed within 25 working days or locally agreed timescales with the complainant demonstrating a 30% increase from the previous year. Whilst performance against the time frames standard was noted to be reduced, all complainants were kept updated on the progress of their complaint and an apology was provided to all complainants.

Complaint timescales according to the severity of the concerns raised:

<b>Category &amp; PET Timescale</b>	<b>Criteria – Severity of concerns raised/cross division concerns</b>	<b>Division Timescale</b>
Complex/ Multiple Divisions and Specialties/legal involvement.  <b>60 working Days</b>	Complaint involves numerous issues across multiple Specialties/ Divisions/Organisations or is significantly complex involving multiple issues/treatment pathways. May be legal involvement and or incident/safeguarding involvement	<b>30 working days</b>
Complicated/Cross two Divisions/more than one specialty in Divisions  <b>40 working days</b>	More than one Division and multiple specialties involved. Multiple clinicians required to provide responses.	<b>20 working days</b>
Moderately complex/More than one specialty involvement  <b>30 working days</b>	The issues raised relate to more than one specialty however minimal concerns/generally straight forward	<b>15 working days</b>

Standard – Only a few concerns relating to one division/specialty  <b>25 working days</b>	The complaint involves issues contained within one specialty/Division and is considered straight forward with minimal concerns	<b>10 working days</b>
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The top five themes for complaints 2022/23 are highlighted below.

	Clinical Support, Therapies and Outpatients	Urgent and Emergency Care	Medicine Division	Surgery Division	Women and Children's Division	Total
Clinical - Treatment	2	17	9	7	10	45
Clinical - Diagnosis	2	9	3	6	6	26
Admissions / transfers / discharge procedure	0	8	6	6	3	23
Clinical - Delay	0	5	8	7	1	21
Clinical - Discharge	0	6	6	3	1	16
<b>Total</b>	<b>4</b>	<b>45</b>	<b>32</b>	<b>29</b>	<b>21</b>	<b>131</b>

Clinical treatment and clinical diagnosis continue to be the most frequently reported subjects of dissatisfaction along with issues relating to the admissions, transfers, and discharge procedure. Complaints regarding Clinical Delays and Discharge have replaced the previous top five themes relating to Communication of the nursing/midwifery team and nursing care and treatment during this reporting period. These complaints have been triangulated, to ensure safeguarding, any patient safety issues and concerns are escalated and managed via the appropriate routes, and to further analyse for themes and trends for escalation to the relevant divisions.

Of the complaints responded to within 2023/24, 70% were upheld or partially upheld, showing a decrease of 2% with previous year. This has provided an opportunity for learning and service improvements.

A total of 33 complaints were re-opened in 2023/24 because the complainant had raised additional concerns to the original complaint. This demonstrates a decrease of 12% of re-opened complaints from 2022/23. All requests are formally responded to, reiterating the options relating to the next steps, which include Public Health Service Ombudsman (PHSO), independent advocate and access to medical records procedure.

In 2023/24, the PHSO initiated 7 additional new complaints reviews, had 4 cases currently under ongoing investigation, and had concluded 3 investigations. The Patient Experience Team pre-empt that correspondence from the PHSO will continue to increase in during 2024/25 and that new contacts made will include requests for further Local Resolution, written responses of meetings that have taken place and financial remedy for those partially or fully upheld.

Sherwood Forest Hospitals NHS Foundation Trust intends to take actions to improve these percentages, sharing data with all divisions, enabling learning in all areas, triangulating with other data collection sources for patient feedback.

Action plans will be developed, around learning and improvements from the complaints received, and the data will be collated and analysed for any themes and trends that could be occurring, allowing improvements to the services that SFH is providing to patients.

### **Stakeholder relations**

We continue to deliver on our role within the health and care system in order we make a valuable contribution to improving the lives of our citizens.

The Trust published its first Partnerships Strategy in February 2024, setting out its ambitions as a partnership organisation, the priorities for the next five years and how it will improve lives through intentional partnerships. The Trust also developed its first Clinical Services Strategy (CSS) which was finalised in April 2024. It commits to work with partners to prevent the onset and development of disease; to develop our role in population health management and contribute to increasing healthy life expectancy; and for patients' and carers' experiences of health and social care to be seamless regardless of the provider organisation.

Our partnerships are focused on delivering those strategic aims and through collaboration we will be able to improve patient care and the health of everyone we serve. Our strategic partnerships are summarised below.

We have a leading role in the Nottingham and Nottinghamshire Integrated Care System (ICS), which brings together local NHS services, councils and the voluntary sector with the ambition for people living in Nottingham and Nottinghamshire to live longer, happier, healthier and more independent lives. The strategic priorities are focusing on prevention of ill-health, for there to be equity in everything and integration by default. In 2023/24, the Trust contributed to the ICS's Joint Forward Plan, which sets out how partner organisations will deliver the strategy.

All statutory NHS providers are required to be involved in at least one provider collaborative, which is a partnership bringing together NHS trusts to work together at scale to benefit their populations. The Trust is a partner in two.

One is a county-wide partnership, the Nottingham(shire) Provider Collaborative at Scale (NNPC). During 2023/24 the partnership has focused on scoping opportunities for identifying



and developing efficiency opportunities through joint working focused on people and corporate services.

The Trust is also a partner in the East Midlands Acute Provider (EMAP) Network, which is a partnership of acute trusts across the East Midlands primarily focused on specialist areas identified as challenged.

The Trust is also a committed partner in the Mid Nottinghamshire Place-based Partnership (PBP), which covers Ashfield, Mansfield, Newark and Sherwood and comprises of local statutory and voluntary, community and social enterprise organisations. It is a collaboration of six primary care networks, community and voluntary services, district councils, NHS trusts, other healthcare providers and public health.

In 2023/24 the PBP established its vision to *“work together to create happier, healthier communities and reduce the gap in healthy life expectancy across Mansfield, Ashfield, Newark and Sherwood”*. Its priorities are to:

- designing and implementing integrated services and
- undertaking population health management work to reduce health inequalities and increase preventative care

We are committed to improving patient experience through responding to stakeholder feedback. Through 2023, as part of the development of a new five-year strategy, the Trust engaged with patients and carers, local citizens, foundation trust members and volunteers. We also held workshops and listening events with our people. This ensured that our new strategy was developed with the voices of all our stakeholders to come through into our future priorities.

### **Consultation with local groups and organisations**

Engagement with local groups and organisations has continued over the past year, with much of this engagement centred around the hundreds of conversations that have helped to shape our new five-year Trust Strategy.

Through those conversations, our communities have stressed the need for:

1. Shorter waiting times
2. Better communication
3. Joined-up care; and
4. Personalised care

Maintaining that engagement has been more important than ever over recent years following the pandemic and, over the past year, the Trust has invested in its partnerships work to better engage with local organisations who share our commitment to deliver ‘healthier communities’ together.

Through the #TeamSFH website, social media accounts and close working with local digital, print, and broadcast media, we have continued to keep patients and the wider public informed about what is happening at our hospital sites and supporting everyone to keep safe. This has been broadened to include our Trust’s social media, which continues to reach tens of thousands of local people each week. We have continued to use these same channels to

celebrate our successes and to share important information about service developments at all our sites.

We have also strengthened our links with Primary Care with regular attendance in each other's key meetings opening channels between GPs and the Trust and we are now part of the Integrated Care Board.

The Mid-Nottinghamshire Place Based Partnership continues to meet in public monthly. Bringing together key partners including the voluntary sector and local authorities. In ways that add value to the communities we serve.

A key part of how we engage with our local communities over the coming year will involve a refreshed approach to how we engage with our Trust's public of over 13,000 public members. This work will continue with our elected Council of Governors under the leadership of our new Lead Governor.

We continued our focus on engaging and recruiting more young members to the membership, establishing links with our local further education colleges, and developing a communications and engagement strategy.

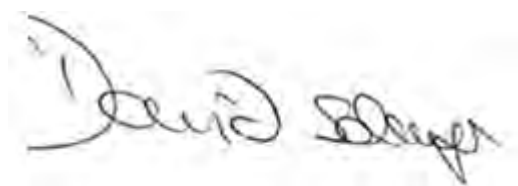
Our Patient Experience Team is often the first point of call for patients with both negative and positive experiences of our services, and they work closely with our divisions to ensure we respond appropriately to individuals. The service has a clear governance process for reporting themes or concerns for oversight and action via our Patient Safety Committee. We respond to comments made via Care Opinion, and regularly share both positive and negative comments on social media, encouraging patients to share their feedback to help us improve.

We continue to meet with our MPs, local politicians and other partners and stakeholders, including district council leaders and Healthwatch representatives.

We are the largest employer in our area by a significant margin and we know that by engaging effectively with our staff (evidenced by staff engagement which remains the best in the country in the *NHS National Staff Survey*) we are, by extension, also communicating effectively with our service users and community.

We communicate and engage with #TeamSFH colleagues using a range of channels, including staff briefings across all sites, blogs, a weekly e-newsletter, WhatsApp and a closed Facebook group with more than 3,200 members. Specific networks for ethnic minority disabled and LGBTQ+ colleagues has also all been strengthened.

We've developed a strategic compact with Vision West Notts College and started delivering on our year 1 priorities. This has been inclusive of Nottingham Trent University.



**David Selwyn**  
**Acting Chief Executive Officer**

**25th June 2024**

## **Statement of Health Inequalities 2023-24**

Health inequalities are unfair and avoidable differences in health across the population, and between different groups within society. In accordance with NHS England's statement on information on health inequalities, we report here the Sherwood Forest Hospitals NHS Trust (SFH) position in the domains relevant to our trust:

- Elective recovery
- Urgent and emergency care
- Smoking cessation
- Oral health

Deprivation and ethnicity are two key drivers of inequality and often affect a person's ability to access healthcare, their outcomes when receiving a diagnosis or treatment for a condition and their experiences of settings when receiving care. Evidence shows these elements are more likely to be negative when compared to people accessing care living in the least deprived areas. There are also other population groups who may have additional complexities which increase their risk of health inequalities, such as learning disabilities or those with severe and multiple disadvantage.

### **Population profile**

SFH serves a population of 350,000 across Ashfield, Mansfield, Newark and Sherwood (Mid Nottinghamshire) and beyond.

#### Deprivation

Mid Nottinghamshire is more deprived overall than the England average, with 28% of the population living in the most deprived areas of England (defined as in the most deprived 20%, source: eHS Profile Tool, N&N ICB SAIU). The area has a higher proportion of older people, with 20.1% of the Mid Nottinghamshire population aged 65 years and over against an England average of 18.6%.

More people in Mid Nottinghamshire report a long-term illness or disability and poor health. The period of life people have before illness or disability, also known as healthy life expectancy, is lower overall in Mid Nottinghamshire than other areas of the county. Healthy life expectancy in Mid Nottinghamshire spans 58 to 66 years compared to the best in the County (Rushcliffe) where healthy life expectancy is 70.

There are also disparities between men and women when looking at years spent in good health. Although women may live longer, they are living in poorer health for longer and at a younger age than men.

The prevalence of major illness such as diabetes, respiratory illness, heart failure, dementia, asthma and stroke and use of tobacco and alcohol is higher in Mid Nottinghamshire than the England average, but it is not equally distributed across all areas. Poor healthy life expectancy not only decreases quality of life but also has wider reaching economic consequences for the local system. If people become ill at a younger age it can increase the risk of economic inactivity, creating losses for the local economy in addition to increased costs incurred by the NHS.

## Ethnicity

The Mid Nottinghamshire population is less diverse than England. 88.2% of the population is white compared to 74.4% nationally and 6% is black and minority ethnic, of which the largest group is Asian / Asian British (2% of the population). In addition, 3.1% have chosen not to state their ethnicity and 2.7% have not had their ethnicity recorded.

## **Elective care**

Elective care covers a broad range of non-urgent services often delivered in a hospital setting including, diagnostic tests and scans, outpatient care, surgery and cancer treatment. The COVID-19 pandemic has had a significant impact on the delivery of elective care, meaning that many patients are now waiting longer for treatment than they were before the pandemic began. Elective restoration is one of the five strategic NHS Health Inequality Priorities.

The impact of waiting longer for treatment on individuals, their families and carers is wide ranging. It may result in existing conditions worsening, more complicated surgeries, an increased use of medication, reduced independence, and overall outcomes may be worse, including a reduced quality of life.

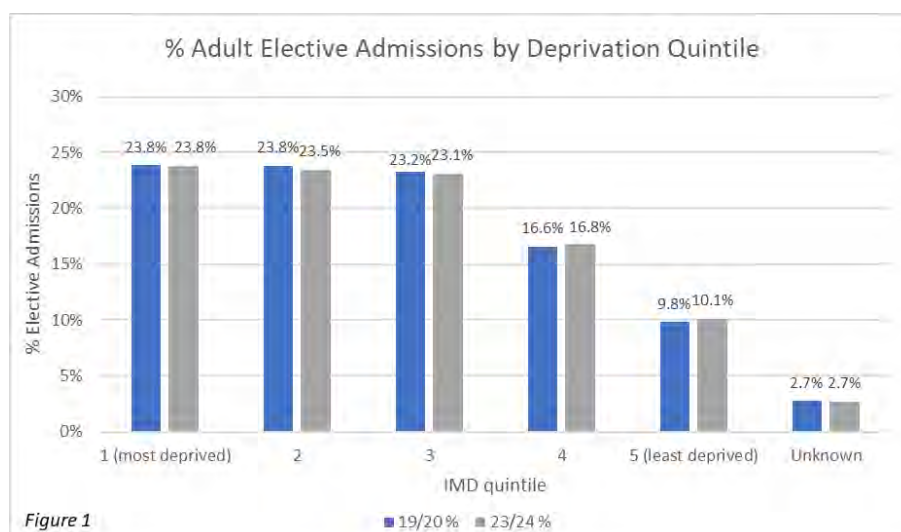
In this section the indicator used is elective activity for the previous year compared with pre-pandemic levels for patients under 18 years old and adults (patients aged 18 years and over) split by ethnicity and deprivation.

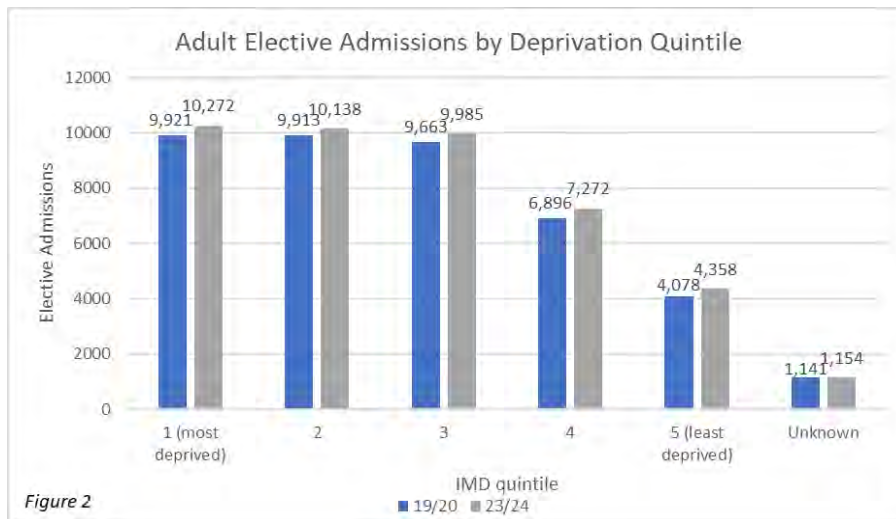
## **Elective Admissions**

Overall, elective admissions have increased from 43,082 in 2019/20 to 44,634 in 2023/24 (both day case and inpatient), an increase of 3.6%. Data quality on missing postcodes and ethnicity has remained comparable.

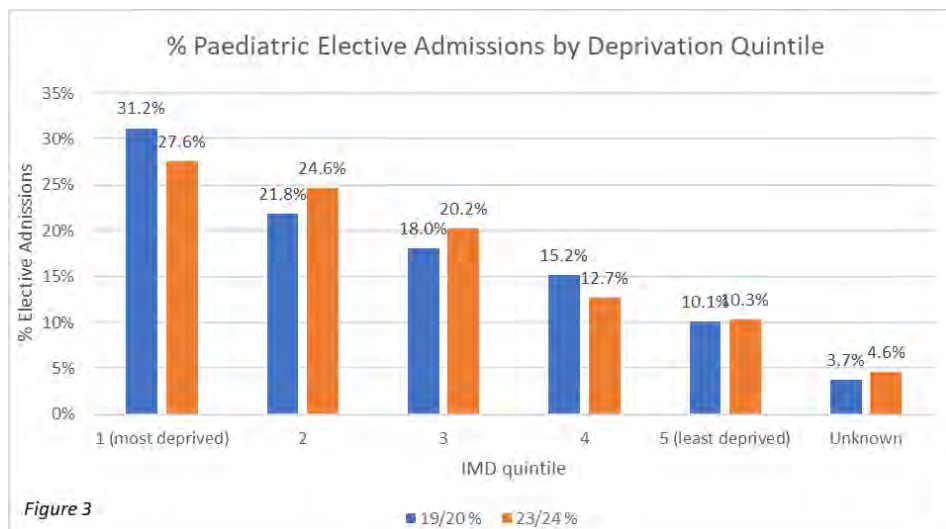
The largest proportion of elective admissions are in the most deprived quintiles for both adults and those under 18 years (current and pre-pandemic). However, there is a distinct difference in the findings over time between adults and under 18's.

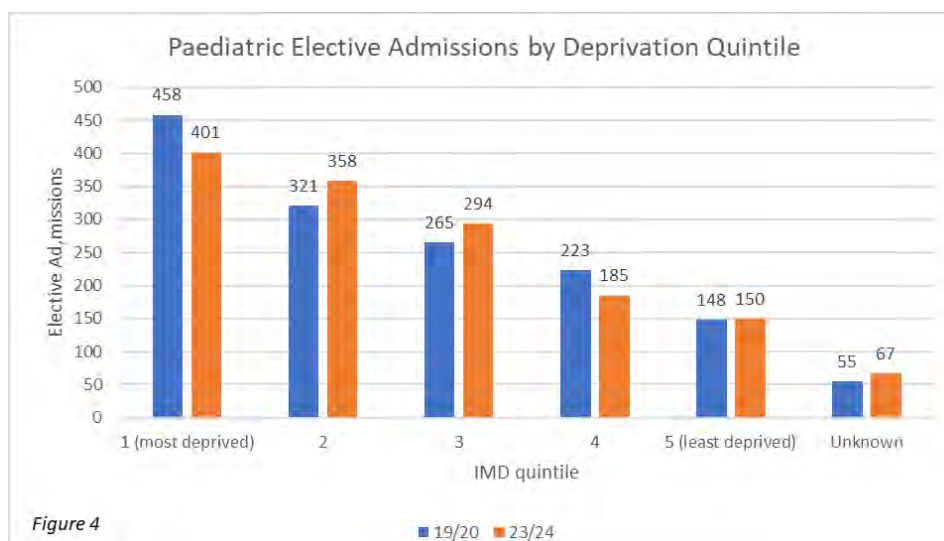
The picture for adults has remained comparable between 2019/20 and 2023/24. Quintiles 1, 2 & 3 show a very similar position with around 23% of activity in each of these quintiles (Figure 1). Around 10,000 elective admissions occurred in both years in the most deprived quintile (Figure 2).





For under 18's there has been a significant reduction in the number of elective admissions in the most deprived quintile. 2019/20 saw 31.2% of under 18 elective admissions in quintile 1 this compares to 27.6% in 23/24 (3.6% reduction – figure 3). In terms of actual admission numbers this is a reduction of 57 admissions from the most deprived quintile (figure 4) however it remains the highest volume quintile. Quintiles 2 and 3 has seen the largest increase in elective admissions (proportionately and volume).





Elective admissions by ethnicity shows that SFH treats a predominantly white population. There have been very minimal changes in the ethnicity of adult elective admissions from pre-covid levels. Under 18's elective admissions are more diverse compared to the over 18's. They have also seen a change since pre-pandemic levels, elective admissions from a white background have decreased from 89.8% in 19/20 to 88.4% in 23/24 (1.4%) (Table 1).

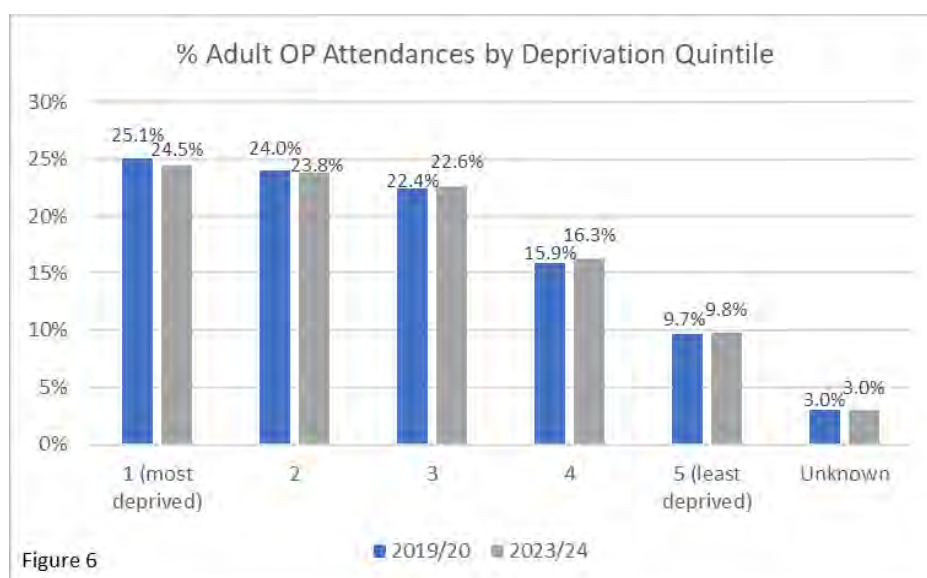
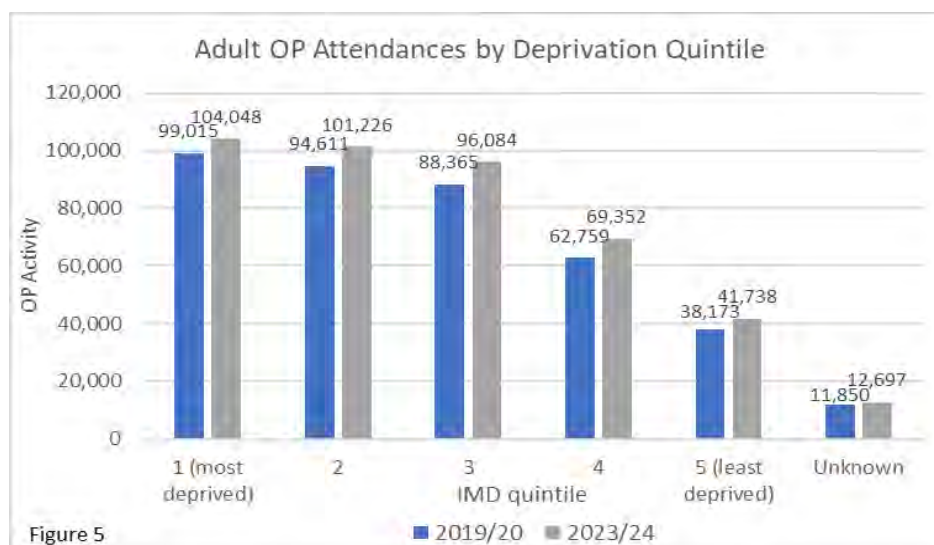
Ethnicity	Adults				CYP			
	19/20 (volume)	19/20 (%)	23/24 (volume)	23/24 (%)	19/20 (volume)	19/20 (%)	23/24 (volume)	23/24 (%)
Asian	47	0.1%	73	0.2%	8	0.5%	4	0.3%
Black, Black Caribbean or African	145	0.3%	170	0.4%	15	1.0%	32	2.2%
Mixed or Multiple ethnic groups	99	0.2%	167	0.4%	25	1.7%	42	2.9%
Other ethnic groups	280	0.7%	480	1.1%	32	2.2%	27	1.9%
Unknown	2,060	5.0%	1,889	4.4%	70	4.8%	64	4.4%
White	38,981	93.7%	40,400	93.6%	1,320	89.8%	1,286	88.4%
Grand Total	41,612	100.0 %	43,179	100.0 %	1,470	100.0 %	1,455	100.0 %

## Outpatients

Overall, outpatient attendances have increased from 445,280 in 2019/20 to 477,665 in 2023/24, an increase of 7%. Data quality on missing postcodes has deteriorated marginally since 19/20 however ethnicity data quality has improved with the number of unknown ethnicities reducing by 1,500 despite rising activity levels.

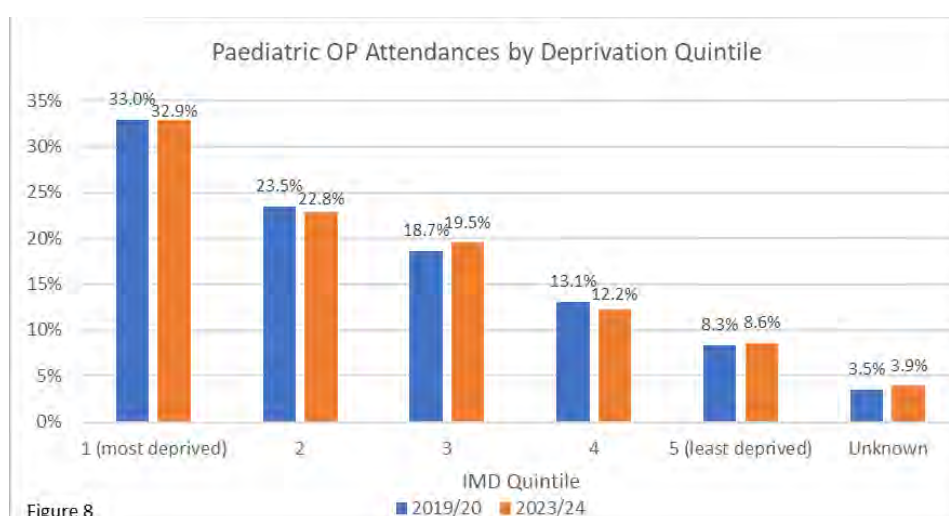
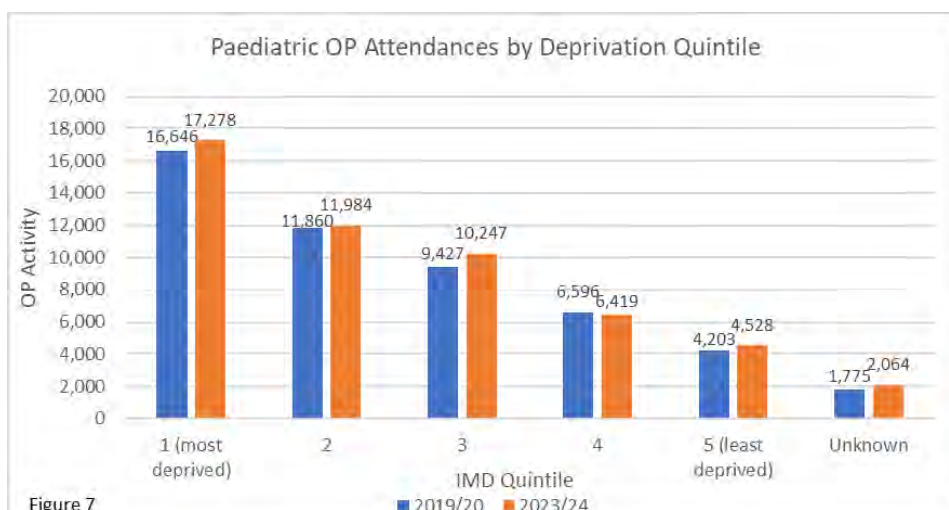
Adult outpatient attendances have risen in every quintile compared to pre-pandemic levels. The highest activity levels continue to be witnessed in the most deprived quintiles, however

the largest increase in activity volume was witnessed in quintile 3 (7,719 additional attendance in 2023/24 compared to 2019/20) (Figure 5). Despite volume in the most deprived quintile rising since pre-pandemic it has reduced by 0.6% in terms of proportion of activity seen (largest % decrease of all quintiles) (Figure 6). Quintile 4 saw the largest proportional increase in activity. 2019/20 quintile 4 saw 15.9% of the activity, this has risen to 16.3% in 2023/24.



For under 18's, we continue to see the highest activity levels in quintile 1. There have been increases and decreases in activity volume compared to pre-pandemic levels. The largest increase in outpatient activity was witnessed in quintile 1 and 3 (increase of 632 (1), 820 (3) - figure 7). There was a reduction in activity in quintile 4 (-177). In terms of the proportion of activity, quintiles 3 and 5 saw their proportion of activity increase in 23/24 compared to 19/20, whilst quintiles 1,2 and 4 saw their activity proportion decrease compared to 19/20 (figure 8).





Outpatient attendance by ethnicity shows that SFH treats a largely white population (Table 2).

For adults, there has been a reduction in the number of patients without an ethnicity recorded compared to pre-pandemic data. There has been an increase in volume in all ethnic groups because of increasing activity. The proportion of activity from minority ethnic groups has seen a percentage increase in activity compared to pre-pandemic. Under 18's outpatient attendances are more diverse compared to the adults. Compared to pre-pandemic levels, outpatient attendances from a white background have decreased from 91.6% in 2019/20 to 89.8% in 2023/24 (1.8%) and all minority ethnic groups have witnessed a percentage increase in 2023/24 activities.

Ethnicity	Adult				CYP			
	19/20 (volume)	19/20 (%)	23/24 (volume)	23/24 (%)	19/20 (volume)	19/20 (%)	23/24 (volume)	23/24 (%)
Asian	622	0.2%	1,057	0.2%	139	0.3%	255	0.5%
Black, Black Caribbean or African	1,497	0.4%	2,798	0.7%	232	0.5%	574	1.1%

Mixed or Multiple ethnic groups	1,409	0.4%	2,192	0.5%	898	1.8%	1,223	2.3%
Other ethnic groups	3,732	0.9%	5,179	1.2%	712	1.4%	1,122	2.1%
Unknown	17,213	4.4%	15,832	3.7%	2,265	4.5%	2,191	4.2%
White	370,300	93.8%	398,087	93.6%	46,261	91.6%	47,155	89.8%
Grand Total	394,773	100%	425,145	100%	50,507	100%	52,520	100%

### **SFH action to respond to health inequalities in elective care.**

Actions are ongoing to reduce waiting lists and the number of long waiters. SFH has recently opened a state-of-the-art theatre suite at Newark Hospital, which has the dual benefit of increasing elective activity and freeing up capacity at Kings Mill Hospital.

The Epilepsy Service is aligning its work to the Core20plus5<sup>2</sup> landscape. The service regularly submits data and participates with the Epilepsy12 national audit. This increasingly highlights variation relating to ethnicity, deprivation, and the co-morbidities of learning disability and autism. This is providing the groundwork for the service to continue reshaping how care is equitably achieved in the future.

SFH is also focused on improving pre-treatment optimisation to help increase access to care whilst improving experiences and outcomes for patients, by including a focus on disparities and health inequalities. In order to help improve patient outcomes on the elective care pathway, a risk stratification process has been outlined, increasing support and intervention for those with more complex needs.

Alongside the pre-treatment optimisation work, SFH has worked with primary care to enable data sharing between the systems, to identify patients who are current smokers. The intention is to use this data to invite patients to intervention services to reduce smoking rates which will, in turn, improve a person's preparedness for surgery.

Both schemes aim to help reduce the risk of procedure cancellation and delays, reducing waiting times overall and improving patient experience and outcomes.

Fixed term funding has been utilised at SFH for a project using a digital pre-op assessment, which includes a patient facing digital questionnaire to support early screening and triage. Although virtual appointments have helped to increase access to healthcare for some, care must be taken for those at risk of digital exclusion which is one of the five NHS five strategic health inequality priorities. Risk factors for digital exclusion include age, ethnicity and deprivation.

SFH is also embedding personalised care approaches such as shared decision making within elective care pathways to further improve patient experience during treatment.

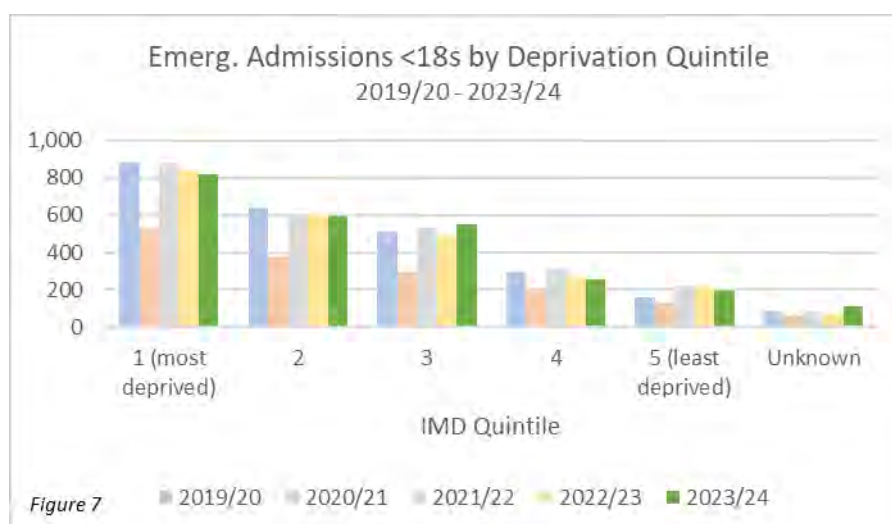
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<sup>2</sup> Core20Plus5 is national NHS England approach to support the reduction of health inequalities

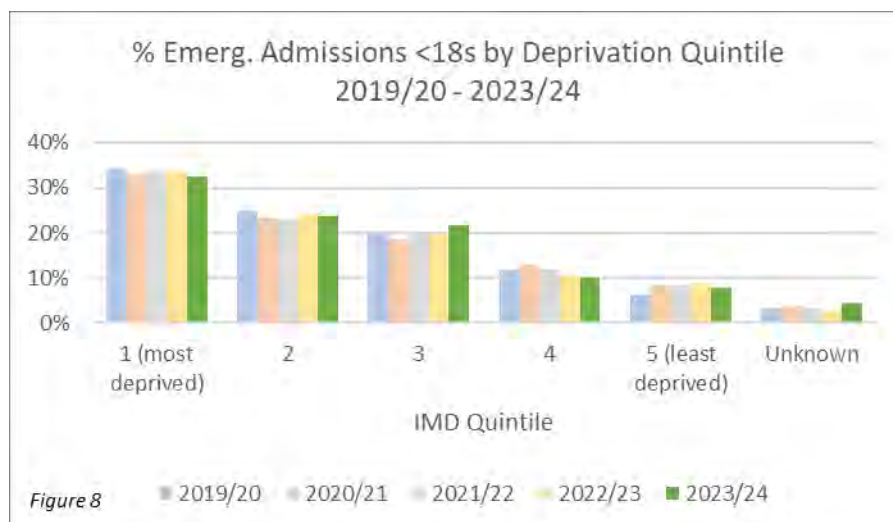
## Urgent and emergency care

Urgent and emergency care services provide a critical role in healthcare, often treating people with serious or life-threatening injuries or illnesses who cannot be treated in primary care or in the community. National data shows that people living in the most deprived areas are 1.7 times more likely to attend an emergency department than those in the least deprived areas<sup>3</sup>. This statement will focus on emergency admissions for under 18's (by ethnicity and deprivation).

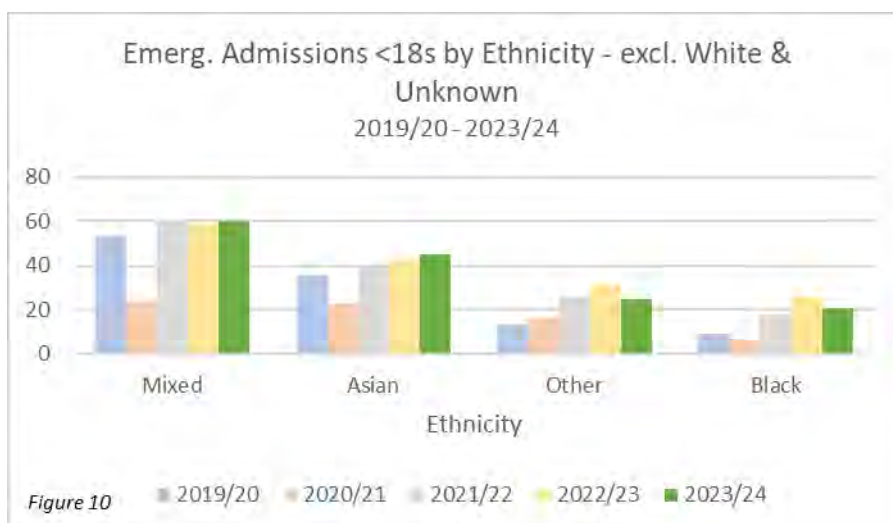
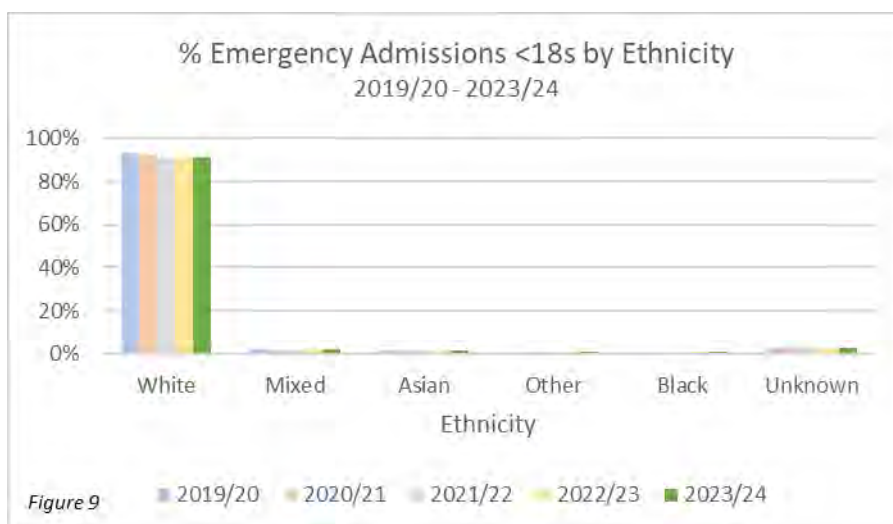
During the last financial year, 2023/24 there were a total of 2,522 emergency admissions for under 18's. Deprivation data were available for 2,414 (95.7%) and ethnicity data were available for 2,455 (97.3%). Emergency admissions for children and young people living in the most deprived quintile was over four times higher than those in the least deprived (Figure 7). There is also a clear trend across the deprivation quintiles over the last five financial years, showing the higher the deprivation, the higher the proportion of emergency admissions for under 18's. There has been a general uptick in the proportion of the middle deprivation quintile since 2019/20, compared with a slight reduction in the quintile 4 (Figure 8).

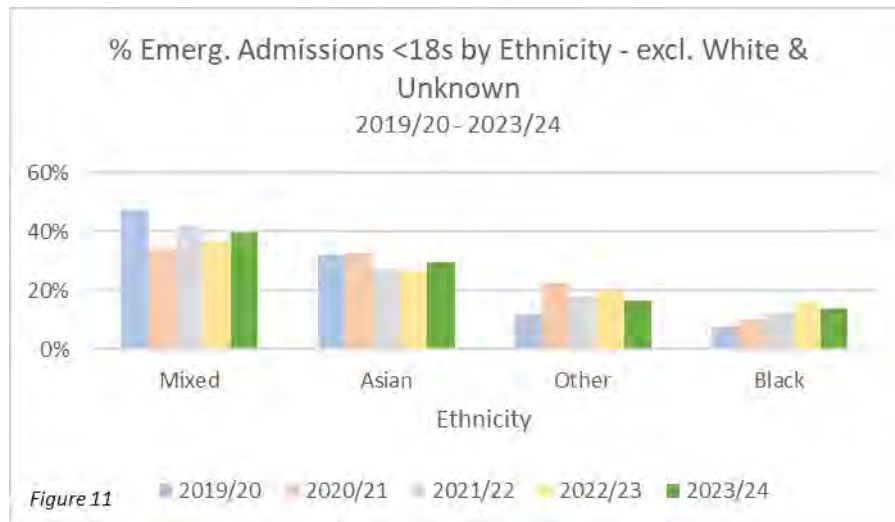


<sup>3</sup> Inequalities in Accident and Emergency department attendance, England: March 2021 to March 2022 [Inequalities in Accident and Emergency department attendance, England - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/inequalitiesinaccidentandemergencydepartmentattendanceengland/march2021tomarch2022)



Emergency admissions in the white population account for over 90% of activity and this is consistent year-on-year (Figure 9). Excluding the white population, the mixed and Asian groups comprise nearly 70% of the ethnic minority groups (105 as of 2023/24) (Figures 10 and 11). The size order of the ethnic minority groups has remained consistent over the past five financial years.





### **Actions in Mid Notts to respond to health inequalities in urgent and emergency care**

Elective and emergency care admission rates can highlight inequalities prevalent throughout the healthcare system in relation to access and outcomes. The data above indicates that people from more deprived populations are more likely to use emergency care routes and are less likely to be admitted for elective care which may highlight issues in access to preventative care.

SFH's Drug and Alcohol Liaison Team (DALT) work to improve the health and wellbeing of patients identified as having substance misuse issues. The team are employed by Change Grow Live, a social care and health charity commissioned by Notts County Council. Working together with SFH, they support the health and wellbeing of individuals across the hospital and community.

The work of DALT includes ensuring a safe patient journey, specialist assessment and tailored advice, health education and promotion, motivational work to reduce harm and promote healthier behaviours, signposting, and referral on for continued support. They offer education to hospital staff and community clinicians to support them and share best practice.

Together with Gastroenterology services, they offer fibro scan diagnostics (a type of ultrasound to measure inflammation and scarring of the liver). This contributes to the identification and support of some of the most complex cases and high intensity users of the hospital and other services. It also helps to reduce the wider social and economic harms associated with drug and alcohol use.

Evidence shows the work of teams like DALT can reduce overnight stays in hospitals and re-admissions by 3%, and emergency department attendances related to alcohol by 43%. This reduces the pressure on urgent care services and frees up beds and time for others to receive care.

### **Smoking cessation**

SFH has a tobacco dependency service operating across all inpatient settings, which includes behavioural advice and provision of smoking cessation aids, including nicotine replacement therapy (NRT) and e-cigarettes for use post-discharge only. It refers into the Public Health commissioned smoking cessation services provided by A Better Life.

The Trust also provides a maternity smoking cessation service, the Phoenix Team. Smoking is the single most important modifiable risk factor in pregnancy. It recognises that specific intervention beyond changes to universal care is needed to reduce the health inequality between the most and least deprived groups. The Phoenix Team provides behavioural and pharmacological support to families to give up smoking during pregnancy and encourages smokefree births. Pregnant smokers who set a quit date can receive financial incentives following carbon monoxide verified periods of abstinence with the aim of rewarding a smoke-free pregnancy.

## **Oral health**

Tooth decay is the most common oral disease affecting children and young people in England, yet it is largely preventable. Almost 9 out of 10 hospital tooth extractions among children aged 0 to 5 years are due to preventable tooth decay and tooth extraction is still the most common hospital procedure in 6 to 10 year olds, according to data up to 2019<sup>4</sup>. Data also shows that children in the most deprived populations have more than twice the level of tooth decay than those in the least deprived areas.

### **Actions in Mid Nottinghamshire to respond to health inequalities relating to oral health.**

Water fluoridation, a scientifically proven method of adding small amounts of fluoride to drinking water, is a key player in the fight against tooth decay. Already, 30% of Nottinghamshire residents, around 247,000 people have access to fluoridated water, however the vast majority of the ICS do not, creating an inequality. Therefore, Nottinghamshire County Council is exploring extending these benefits to other areas of the County with campaigns ongoing. If actioned, this could generate a 35% reduction in decayed, missing and filled teeth in five-year-old children, a 56% decrease in hospital admissions for tooth extractions in children from the most deprived areas, and a return of £12.71 after five years and £21.98 after ten years for every £1 invested in fluoridation.

In 2023, Nottingham City Council and Nottinghamshire County Council secured £100,000 of ring-fenced funding from NHS England to buy and distribute toothbrushing packs to foodbanks and other organisations in the community, who provide support for vulnerable people and families who may be most at risk of experiencing poor oral health. The packs are being distributed to help enable people who are currently unable to purchase these supplies, to brush their teeth by the recommended two times a day.

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<sup>4</sup> Child oral health: applying All Our Health 2022 [Child oral health: applying All Our Health - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/child-oral-health-applying-all-our-health-2022)

## **Remuneration Report**

### **Scope of the report**

The Remuneration Report summarises our remuneration policy and, particularly, its application in connection with the executive directors. The report also describes how the Trust applies the principles of good corporate governance in relation to directors' remuneration as defined in the NHS FT Code of Governance, in sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ('the Regulations') as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 of Schedule 8 of the Regulations and elements of the Foundation Trust Code of Governance.

### **Annual Statement on Remuneration from the Chair of the Remuneration Committee**

The Remuneration Committee met twice during the year and key decisions made included: executive team remuneration, approval of a pension restructuring payment, approval of the salary increase for VSM staff and the consideration of executive directors' appraisals.

### **Senior managers' remuneration policy**

We must attract, develop, and retain executive directors and senior managers of a high calibre to ensure the organisation is well led and able to deliver its strategy and vision.

Executive directors and senior managers receive an annual appraisal, in accordance with our performance management framework. This ensures the performance of the executive directors and senior managers is based on the delivery of objectives as defined within the annual plan.

There are, however, no contractual provisions for performance-related pay for executive directors and senior managers and, as such, no performance related payments were made relating to 2023/24.

Our approach to remuneration is modelled on guidance in The NHS Foundation Trust: Code of Governance and the Pay Framework for Very Senior Managers in the NHS (Department of Health and Social Care).

The key principles of the approach are that pay and reward are firstly assessed relative to the financial performance of the Trust as a whole, and secondly in line with available benchmarks, including NHS Providers, the NHSE published pay ranges and the wider pay policies of the NHS.

### **Executive appointments to the Board of Directors continue under permanent contracts**

Governance for the approval of remuneration packages, in line with the policy, is in place through the Remuneration Committee, which considers pay on an individual basis attributed to scope and remit of role. Through the Remuneration Committee, the Board assures itself



that salaries are commensurate with other organisations of similar size and complexity. It also considers the nature of the patient, quality, and safety challenges to provide assurance that any given salary reflects the degree of responsibility and accountability.

### **Senior manager remuneration**

Set out below are the components of the senior managers' remuneration package. All substantive senior managers receive basic pay and business expenses. They also receive the employer's contribution to the NHS pension scheme where they are eligible to join it.

Relocation expenses are paid in accordance with the Trust's general relocation policy, where an appointee is required to maintain two properties or move their primary residence to take up their position.

	Basic pay	Pension	Business expenses	Relocation Expenses	Clinical Excellence Awards	Personal Responsibility Payments
	All senior managers receive a basic pay element to their remuneration, which is pro-rata for part time staff	The Trust pays employer contributions for all senior managers who are enrolled in the NHS pension scheme. This is a % of pay set by NHS Pensions Authority	Reimbursement of business mileage and subsistence expenses incurred on official duties in line with Agenda for Change: National NHS terms	Up to £5,000 is available to newly appointed senior managers in accordance with the terms of the Trust's general relocation scheme	Payment is only applicable to the Medical Director and is in accordance with the local and national scheme	The Trust pays remuneration to senior managers who have additional system / duties above the expressed duties in the contract of employment. The Chief Executive and Medical Director receive a responsibility allowance associated with additional duties which are undertaken.
How the component supports short-term and long-term objectives of the Trust	Set at point of recruitment, reviewed using pay benchmarking and other relevant information.	Ensure the recruitment / retention of directors of sufficient calibre to deliver the Trust's objectives	Ensure the recruitment / retention of directors of sufficient calibre to deliver the Trust's objectives	Ensure the recruitment / retention of directors of sufficient calibre to deliver the Trust's objectives	Ensure the recruitment / retention of directors of sufficient calibre to deliver the Trust's objectives	Ensure the recruitment / retention of directors of sufficient calibre to deliver the Trust's objectives

	Basic pay	Pension	Business expenses	Relocation Expenses	Clinical Excellence Awards	Personal Responsibility Payments
	Recruiting high-calibre senior managers is crucial to the delivery of the Trust's objectives. Benchmarking takes into consideration other similar large-sized acute district general hospitals to ensure salary levels are competitive, but also represent value for money					
How the component operates	Standard monthly pay	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme	Reimbursed as incurred, paid via monthly payroll	Reimbursed as incurred on appointment	Determined by local and national policy	Determined by guidance for approval of senior pay

	Basic pay	Pension	Business expenses	Relocation Expenses	Clinical Excellence Awards	Personal Responsibility Payments
Maximum payment	Basic pay	Contributions are made in accordance with the NHS Pension Scheme	Expenses incurred on official duties reimbursed	£5,000	Determined by local and national policy	£17,500
Framework used to assess performance	Trust appraisal system	N/A	N/A	N/A	N/A	N/A
Performance measures	Individual objectives agreed as part of appraisal process	N/A	N/A	N/A	N/A	N/A
Performance Period	Annual Appraisal	N/A	N/A	N/A	N/A	N/A
Amount paid for minimum level of performance and any further levels of performance	No performance-related payment arrangements	N/A	N/A	N/A	N/A	N/A
Explanation of whether there are any provisions for recovery of sums paid to	Any sums paid in error may be recovered in accordance with Trust Policy.	N/A	N/A	N/A	N/A	N/A

	Basic pay	Pension	Business expenses	Relocation Expenses	Clinical Excellence Awards	Personal Responsibility Payments
directors, or provisions for withholding payments	A performance-related clawback of up to 10% arrangement is in place					

The senior manager remuneration policy does not provide for automatic annual inflation-related increases. Any such increase needs to be expressly approved by the Remuneration Committee.

The Trust does not have any executive directors or senior managers who are members of a different pension scheme who receive an employer contribution from the Trust as part of their remuneration.

From 1st April 2023, the Committee approved: to align the Executive Directors salary to the medium quartile of the large acute hospital senior manager pay benchmark. The alignment resulted in five Executive Directors receiving a pay increase.

In 2023/2024 the Trust has not appointed any new Executive Directors.

In accordance with the NHS England (NHSE) letter to Chief People Officers of Trusts and NHS Foundation Trusts dated 19 October 2023, the Senior Salaries Review Body (SSRB) made recommendations regarding the 2023/2024 pay award for Very Senior Managers (VSMs), which were accepted in full by the government. The SSRB recommended an across the board increase of 5% for all VSMs to be applied and back dated to 1 April 2023 and a further 0.5% of the VSM pay bill in each employing organisation is used as a pot to address any specific pay anomalies. The Remuneration Committee accepted and have implemented the principles of the letter from NHSE with Executive Directors on VSM contracts receiving a 5% pay increase (on basic pay) from 1 April 2023. The additional 0.5% increase was not implemented as this was not applicable to any of the Executive Directors on VSM contracts. Any salary which exceeded or further exceeded the £150,000 threshold did not require His Majesty Treasury (HMT) approval providing the 5% was not exceeded.

During the year Non-Pensionable Personal Responsibility payments have been paid to directors where they have taken on additional responsibilities over and above their substantive role.

### **Senior managers paid more than £150,000 per annum**

Where a senior manager is paid more than £150,000 per annum, the Remuneration Committee has taken robust steps to provide assurance that this remuneration is reasonable. This is done by applying the principles of good corporate governance as described in the NHS FT Code of Governance, in Sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) (the Regulations) as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 of Schedule 8 of the Regulations. In addition, benchmark information is used, particularly that appertaining to the NHS, such as remuneration surveys conducted and supplied by NHS providers and NHSEI's published pay ranges.

The Remuneration Committee also seeks approval from His Majesty's Treasury (HMT), NHSE, the Department of Health and Social Care and the Minister of State for Health for salaries that exceed £150,000 per annum, as required by NHS England's guidelines on pay for very senior managers in NHS Trusts and Foundation Trusts.

Since June 2015, any salary approved in excess of £150,000 is subject to a 10% earn-back in the event of under-performance of the post-holder.

### **Non-Executive Directors' remuneration**

<b>Fee</b>	<b>Car allowance</b>	<b>Pension</b>	<b>Business expenses</b>	<b>Relocation Expenses</b>
All Non-Executive Directors received a fee	Not applicable	Not applicable	Refund of business mileage and subsistence expenses incurred on official duties in line with Agenda for Change: National NHS terms	Not applicable

The remuneration for Non-Executive Directors has been determined by the Council of Governors and is set at a level to recognise the significant responsibilities of non-executive directors in NHS Foundation Trusts, and to attract individuals with the necessary experience and ability to make an important contribution to the Trust's affairs.

Non-Executive Directors each have terms of no more than three years and can serve two concurrent terms (no more than six years), dependent on formal assessment and confirmation of satisfactory on-going performance. Non-executive directors can apply for a third term if the Council of Governors agrees.

Their remuneration framework, as agreed previously by the Council of Governors, is consistent with best practice and external benchmarking, and remuneration during 2023/24 has been consistent with that framework. Benchmarking is provided via the NHS provider annual remuneration survey. There were no cost-of-living increases applied for non-executive directors during 2023/24.

None of the Non-Executive Directors are employees of the Trust; they receive no benefits or entitlements other than fees and expenses incurred while on Trust business and are not entitled to any termination payments. The Council of Governors determines the terms and conditions of the Non-Executive Directors.

The Trust does not make any contribution to the pension arrangements of Non-Executive Directors. Fees reflect individual responsibilities, including chairing the committees of the Board, with all Non-Executive Directors otherwise subject to the same terms and conditions.

The balance of the Board complies with the Code of Governance, which requires that at least half the Board of Directors, excluding the Chair, should comprise Non-Executive Directors determined by the Board to be independent, and our constitution, which states the number of executive Directors is less than the number of Non-Executive Directors. There are six Non-Executive Directors, excluding the Chair, and five voting Executive Directors including the Chief Executive.



## **Termination payments for senior managers and policy on payment for loss of office**

Termination payments for senior managers are contained in the contract of employment regarding notice periods. Notice periods set out under senior managers' substantive employment contracts are in line with statutory requirements. Interim contractors and fixed-term senior managers have a notice period of one month.

Entitlements to severance payments are in line with those of other employees within the Trust, namely those provisions contained in section 16 of Agenda for Change: National NHS terms. This is based on length of continuous and reckonable NHS service and basic pay. The basic pay element had a salary cap of £80,000 during 2023/2024.

## **Statement of consideration of employment conditions elsewhere in the Foundation Trust**

We do not consult with employees when setting our senior manager remuneration policy. The pay and conditions of other Trust employees, however, were considered. All other national NHS terms are mirrored for Trust senior managers, including annual leave and sick pay.

In accordance with the policy on diversity and inclusion the remuneration committee ensures that in terms of the constitution of the board and with regards to pay and remuneration decisions are made in accordance with the principles of this policy. This links to the Trust's strategy in terms of recruiting and retaining the right people.

## **Annual Report on Remuneration (not subject to audit)**

### **Senior manager remuneration**

<b>Name</b>	<b>Title</b>	<b>Start Date</b>	<b>Expiry</b>	<b>Notice Period</b>
Paul Robinson	Chief Executive	01/04/2022		6 months
Rachel Eddie	Chief Operating Officer	25/07/2022		6 months
Shirley A Higginbotham	Director of Corporate Affairs	04/04/2013	31/05/2023	6 months
Robert Simcox	Director of People	10/06/2022		6 months
Philip Bolton	Chief Nurse	30/05/2022		6 months
Dr David Selwyn	Medical Director	09/12/2019		6 months
Richard Mills	Chief Finance Officer	10/06/2022		6 months
David Ainsworth	Director of Strategy and Partnerships	01/07/2022	31/03/2023	6 months

## **Non-Executive Directors' remuneration**

### **Service Contracts**

Senior managers' service contracts do not contain any obligation on the Trust.

Name	Title	Start Date	Expiry	Notice Period
Claire Ward	Non-Executive Director (Chair)	01/10/2021	30/09/2024	1 month
Graham Ward	Non-Executive Director	01/12/2015	29/11/2024	1 month
Barbara Brady	Non-Executive Director	01/10/2018	30/09/2024	1 month
Manjeet Gill	Non-Executive Director	01/11/2018	31/10/2024	1 month
Steven Banks	Non-Executive Director	01/12/2021	30/11/2024	1 month
Dr Aly Rashid	Non-Executive Director	10/01/2022	09/01/2025	1 month
Andrew Rose Britton	Non-Executive Director	01/04/2022	28/03/2025	1 month
Dr Andrew Haynes	Specialist Non-Executive Advisor to the Board	19/04/2021	18/04/2025	1 month

### **Major decisions on senior managers' remuneration**

Executive Directors pay is approved by the Remuneration Committee. Pay and reward are assessed relative to the financial performance of the Trust as a whole, and in line with available benchmarks, including NHS Providers, the NHSE published pay ranges and the wider pay policies of the NHS.

Substantial changes to senior managers' remuneration during the year and the context for these changes in remuneration were made because of aligning Executive Director pay to a large acute hospital pay benchmarking for VSM pay as a result of the Trust annual turnover increasing to being in accordance with the definition of a large acute hospital. Additional and extended duties outside of the organisation and relevant benchmarking data was considered when making any additional or personal responsibility payments.

### **Payments for loss of office**

No payments for loss of office were made during 2023/24.

### **Payments to past senior managers**

No payments to past senior managers were made during 2023/24, or to any individual who was not a senior manager during the financial year but has previously been a senior manager at any time.

## Remuneration and Nominations Committees

We have two remuneration and nominations committees: one which serves as a committee of the Board and is responsible for recruiting and appointing the Chief Executive and executive directors; and the other which serves as a committee of the Council of Governors and is responsible for recruiting and appointing the Chair and Non-Executive Directors and approving the appointment of the Chief Executive.

Our Board appoints the Remuneration and Nominations Committee, its membership comprises only Non-Executive Directors. The committee meets to determine, on behalf of the Board, the remuneration strategy for the organisation, including the framework of executive and senior manager remuneration.

The following Non-Executive Directors have served on the committee, which has met twice during the year:

<b>Name</b>	<b>Meetings attended out of possible total</b>
Graham Ward (Chair of Committee)	2/2
Barbara Brady	1/2
Manjeet Gill	2/2
Dr Aly Rashid	1/2

The committee also invited the assistance of our Chief Executive (Paul Robinson) and the Director of Corporate Affairs (Shirley Higginbotham at the May 2023 meeting and her successor, Sally Brook Shanahan thereafter). None of these individuals, nor any other executive or senior manager, participated in any decision relating to their own remuneration.

Our Council of Governors appoints the Remuneration and Nominations Committee, its membership comprises of the Chair and public, staff and appointed governors. The Committee meets to determine, on behalf of the Council of Governors, the remuneration for the Chair and Non-Executive Directors, the composition of the Board regarding skills and experience, and to agree the recruitment process for the Chair and Non-Executive Directors.

During the year, the following served on the Committee, which met three times:

<b>Name</b>	<b>Meetings attended out of possible total</b>
Claire Ward (Chair)	2/3
Sue Holmes (Lead Governor)	3/3
Ian Holden (Public Governor)	3/3
Liz Barratt (Public Governor)	2/3
John Wood (Public Governor)	0/3
Nikki Slack (Appointed Governor)	1/3
Justin Wyatt (Staff Governor)	3/3

The Committee also invited the assistance of the Director of Corporate Affairs (Shirley Higginbotham at the meeting in April 2023 and Sally Brook Shanahan at the following

meetings in October and November 2023) and our Senior Independent Director (Barbara Brady) who chaired the meeting at which the Chair's appraisal was considered. Neither they, nor any other executive or senior manager, participated in any decision relating to their own remuneration.

The Committee successfully recommended the following to the Council of Governors for approval:

- Chair's Appraisal Outcome and Objectives
- Revised Code of Governance
- The Job Description and Person Specification for the new Non-Executive Director role and the proposed level of remuneration (noted as being aligned to NHSE rates)
- The appointment of a new Non-Executive Director, and
- The re-appointment of a Non-Executive Director who had reached the end of his tenure.

## Disclosures required by Health and Social Care Act

### Governor and Director Expenses

During the year the total number of Directors who served on our Board was 18 and the number of Governors serving on our Council of Governors totalled 28 during the year. We reimbursed expenses incurred in respect of Trust business as follows:

Directors		Total paid 2023/2024 £'00	Total paid 2022/2023 £'00
Claire Ward	Chair	13.40	24.53
Neal Gossage	Non-Executive Director	N/A	0
Graham Ward	Non-Executive Director	0	0
Barbara Brady	Non-Executive Director	0	0
Manjeet Gill	Non-Executive Director	0	0
Steve Banks	Non-Executive Director	0	0
Dr Aly Rashid	Non-Executive Director	7.27	5.12
Andrew Rose-Britton	Non-Executive Director	0	4.30
Neil McDonald	Non-Executive Director	0	N/A
Dr Andrew Haynes	Specialist Adviser to the Board	0	0
David Selwyn	Chief Executive Officer	5.75	5.90
Julie Hogg	Chief Nurse	N/A	2.99
Clare Teeney	Director of People	N/A	0
Emma Challans	Director of Culture and Service Improvement	N/A	33.60
Simon Barton	Chief Operating Officer	N/A	0
Dr David Selwyn	Medical Director	4.36	0.65
Shirley Higginbotham	Director of Corporate Affairs	0	0
Richard Mills	Chief Finance Officer	0	0
Rob Simcox	Director of People	2.00	0
Philip Bolton	Chief Nurse	0	0

<b>Directors</b>		<b>Total paid 2023/2024 £'00</b>	<b>Total paid 2022/2023 £'00</b>
Rachel Eddie	Chief Operating Officer	0.85	0.66
David Ainsworth	Director of Strategy & Partnerships	0	0
Sally Brook Shanahan	Director of Corporate Affairs	0.99	N/A
	<b>TOTAL</b>	<b>34.62</b>	<b>77.74</b>

<b>Governors</b>	<b>Constituency</b>	<b>Area</b>	<b>Total 2023/24 £'00</b>	<b>Total 2022/23 £'00</b>
Angie Jackson	Appointed Governor	Mansfield District Council	No claim	N/A
Ann Mackie	Public Governor	Newark and Sherwood	No claim	No claim
Craig Whitby	Appointed Governor	Mansfield District Council	No claim	No claim
David Ainsworth	Appointed Governor	Local Commissioning Group	No claim	No claim
David Walters	Appointed Governor	Ashfield District Council	No claim	No claim
Dean Wilson	Public Governor	Rest of East Midlands	No claim	N/A
Gerald Smith	Public Governor	Rest of East Midlands	N/A	No claim
Ian Holden	Public Governor	Newark and Sherwood	No claim	No claim
Jacqueline Lee	Staff Governor	Staff	N/A	No claim
Jane Stubbings	Public Governor	Rest of East Midlands	£2.34	£0.92
Jayne Revill	Staff Governor	Staff	N/A	No claim
John Doddy	Appointed Governor	Nottinghamshire County Council	No claim	No claim
John Dove	Public Governor	Rest of East Midlands	£0.07	N/A
John Wood	Public Governor	Rest of East Midlands	No claim	No claim
Justin Wyatt	Staff Governor	Staff	No claim	No claim
Karen Nadin	Public Governor	Newark and Sherwood	£0.79	N/A
Kevin Stewart	Public Governor	Rest of East Midlands	N/A	No claim
Kevin Stewart	Appointed Governor	Sherwood Forest Hospitals Volunteers	No claim	No claim
Lawrence Abrams	Public Governor	Rest of East Midlands	N/A	No claim
Linda Dales	Appointed Governor	Newark and Sherwood District Council	No claim	No claim

<b>Governors</b>	<b>Constituency</b>	<b>Area</b>	<b>Total 2023/24 £'00</b>	<b>Total 2022/23 £'00</b>
Liz Barrett	Public Governor	Rest of East Midlands	No claim	No claim
Martin Stott	Public Governor	Newark and Sherwood	N/A	No claim
Maxine Huskinson	Public Governor	Rest of East Midlands	No claim	No claim
Michael Longdon	Public Governor	Rest of East Midlands	No claim	No claim
Nadia Whitworth	Appointed Governor	Sherwood Forest Hospitals Volunteers	N/A	No claim
Neal Cooper	Public Governor	Rest of East Midlands	No claim	No claim
Nikki Slack	Appointed Governor	West Notts College	No claim	No claim
Pam Kirby	Public Governor	Rest of East Midlands	No claim	N/A
Peter Gregory	Public Governor	Newark and Sherwood	£1.20	N/A
Philip Marsh	Public Governor	Rest of East Midlands	N/A	No claim
Richard Boot	Staff Governor	Staff	N/A	No claim
Roz Norman	Staff Governor	Staff	N/A	No claim
Ruth Scott	Public Governor	Rest of East Midlands	No claim	No claim
Samantha Musson	Staff Governor	Staff	No claim	N/A
Shane O'Neill	Public Governor	Newark and Sherwood	No claim	N/A
Steven Hunkin	Public Governor	Rest of East Midlands	No claim	N/A
Susan Holmes	Public Governor	Rest of East Midlands	No claim	£0.85
Tracy Burton	Public Governor	Rest of East Midlands	No claim	N/A
Vikram Desai	Staff Governor	Staff	No claim	No claim
<b>TOTAL</b>			<b>4.40</b>	<b>1.77</b>

## Annual Report on Remuneration (subject to audit) *Senior Managers' Disclosure*

Remuneration report – salaries and allowances (subject to audit)

2023/24								2022/23					
		Salary (Bands of £5,000)	Expense payments (taxable) total to nearest £100	Performance pay and bonuses (Bands of £5,000)	Long term performance pay and bonuses (Bands of £5,000)	All pension- related benefit (Bands of £2,500)	TOTAL (Bands of £5,000)			Performance pay and bonuses (Bands of £5,000)	Long term performance pay and bonuses (Bands of £5,000)	All pension- related benefit (Bands of £2,500)	TOTAL (Bands of £5,000)
Name	Title	£'000	£	£'000	£'000	£'000	£'000	£'000	£	£'000	£'000	£'000	£'000
<b>Executive Directors</b>													
Mr P Robinson (1)	Chief Executive	205-210	5,300	0	0	-	210-215	185-190	600	0	0	-	185-190
Mr P Bolton (2)	Chief Nurse	150-155	-	0	0	-	150-155	110-115	-	0	0	-	110-115
Ms R Eddie (3)	Chief Operating Officer	140-145	-	0	0	-	140-145	90-95	100	0	0	-	90-95
Dr D Selwyn (4)	Medical Director and Deputy Chief Executive	205-210	-	0	0	-	205-210	180-185	100	0	0	-	180-185
Ms S Higginbotham (5)	Director of Corporate Affairs	15-20	-	0	0	-	15-20	105-110	-	0	0	-	120-125
Mr R Simcox (6)	Director of People (HR)	130-135	-	0	0	50.0-52.5	185-190	115-120	-	0	0	45-47.5	160-165
Mr D Ainsworth (7)	Director of Strategy and Partnerships	125-130	-	0	0	2.5-5.0	130-135	85-90	-	0	0	52.5-55	140-145
Mr R Mills (8)	Chief Financial Officer	145-150	1,100	0	0	155.0-157.5	300-305	135-140	-	0	0	60-62.5	195-200
Mrs S Brook Shanahan (9)	Director of Corporate Affairs	75-80	100	0	0	15.0-17.5	95-100	-	-	0	0	-	-
Ms C Hinchley (10)	Interim Director of Strategy and Partnerships	5-10	100	0	0	0-2.5	10-15	-	-	0	0	-	-
Ms J Hogg (11)	Chief Nurse	-	-	0	0	-	-	15-20	300	0	0	-	15-20
Mr S Barton (12)	Chief Operating Officer	-	-	0	0	-	-	30-35	-	0	0	22.5-25	50-55
Ms M McManus (13)	Acting Chief Operating Officer	-	-	0	0	-	-	10-15	-	0	0	75-77.5	85-90
Mr R Binks (14)	Acting Chief Nurse	-	-	0	0	-	-	5-10	-	0	0	-	5-10
Ms C Teeney (15)	Director of People (HR) Non Voting	-	-	0	0	-	-	0-5	-	0	0	-	0-5
Ms E Challans (16)	Director of Culture and Improvement Non Voting	-	-	0	0	-	-	115-120	3,400	0	0	-	120-125
Mr M Duffied (17)	Head of Communications Non Voting	-	-	0	0	-	-	20-25	-	0	0	2.5-5	25-30
<b>Non Executive Directors</b>													
Ms C Ward (18)	Chairman	50-55	1,300	-	-	-	50-55	50-55	2,500	-	-	-	50-55
Ms B Brady (19)	Non-Executive Director	10-15	-	-	-	-	10-15	15-20	-	-	-	-	15-20
Ms M Gill (20)	Non-Executive Director	10-15	-	-	-	-	10-15	10-15	-	-	-	-	10-15
Mr G Ward (21)	Non-Executive Director	10-15	-	-	-	-	10-15	15-20	-	-	-	-	15-20
Dr A Rashid (22)	Non-Executive Director	10-15	700	-	-	-	10-15	10-15	500	-	-	-	10-15
Mr S Banks (23)	Non-Executive Director	10-15	-	-	-	-	10-15	10-15	-	-	-	-	10-15
Mr A Rose-Britton (24)	Non-Executive Director	10-15	-	-	-	-	10-15	10-15	400	-	-	-	10-15
Mr N McDonald (25)	Non-Executive Director	0-5	-	-	-	-	0-5	-	-	-	-	-	-
Mr N Gossage (26)	Non-Executive Director	-	-	-	-	-	-	0-5	-	-	-	-	0-5
Dr A Haynes (27)	Dr A Haynes (Specialist Advisor to the Board)	10-15	-	-	-	-	10-15	10-15	-	-	-	-	10-15



**Notes (2023/24)**

1 - Mr P Robinson CEO from 4th October 2021. Chose not to be covered by the pension arrangements during the reporting year.

2 - Mr P Bolton Appointed Chief Nurse 30th May 2022. Chose not to be covered by the pension arrangements during the reporting year.

4 - Dr D Selwyn Appointed Medical Director 9th December 2019. 2 programme activities per week for the Royal College of Anaesthetists. Appointed Deputy CEO from May 2022. Chose not to be covered by the pension arrangements during the reporting year.

5 - Ms S Higginbotham (Director of Corporate Affairs) left 31st May 2023.

7 - Mr D Ainsworth (Director of Strategy and Partnerships) left 31st March 2024.

9 - Mrs S Brook Shanahan (Director of Corporate Affairs) commenced 15th May 2023.

10 - Ms C Hinchley (Acting Director of Strategy and Partnerships) commenced in post 29th February 2024.

All increases in directors salary are monitored and approved by the Trusts remuneration committee.

**Notes (2022/23)**

1 - Mr P Robinson CEO from 4th October 2021. Chose not to be covered by the pension arrangements during the reporting year.

2 - Mr P Bolton Appointed Chief Nurse 30th May 2022. Chose not to be covered by the pension arrangements during the reporting year.

3 - Ms R Eddie Appointed Chief Operating Officer from 25th July 2022.

4 - Dr D Selwyn Appointed Medical Director 9th December 2019. 2 programme activities per week for the Royal College of Anaesthetists. Appointed Deputy CEO from May 2022. Chose not to be covered by the pension arrangements during the reporting year.

5 - Ms S Higginbotham (Director of Corporate Affairs / Company Secretary dual role with Nottinghamshire Healthcare NHS Foundation Trust from 1st Oct 2020 to 31 May 2022. Total salary across both organisations £106,700.

6 - Mr R Simcox Appointed Director of People July 2022, (Acting) from 10th June 2022.

7 - Mr D Ainsworth Appointed Director of Strategy and Partnerships 25th July 2022.

8 - Mr R Mills Appointed CFO July 2022 (Acting) CFO from 4th October 2021

11 - Ms J Hogg (Chief Nurse) Resigned from post 8th May 2022. Chose not to be covered by the pension arrangements during the reporting year, (Incl Arrears in Lieu of notice).

12 - Mr S Barton - Resigned from post 12th June 2022 (Incl Arrears in Lieu of notice).

13 - Ms M McManus (Acting) Chief Operating Officer from 13th June to 24th July 2022.

14 - Mr R Binks (Acting) Chief Nurse from 9th May 2022 to 29th May 2022.

15 - Ms C Teeney Resigned from post June 2022 dual role with Nottinghamshire Healthcare NHS foundation Trust. Total salary across both organisations £26,500.

16 - Ms E Challans Resigned from post November 2022. Chose not to be covered by the pension arrangements during the reporting year.

15 - Mr M Duffield Resigned from post 30th June 2022.

18 - Ms C Ward, Chair for Sherwood Forest Hospitals NHS Foundation Trust from 17th April 2021.

22 - Dr A Rashid, Non-Executive Director from 10th October 2021.

23 - Mr S Banks, Non-Executive Director from 1st December 2021.

24 - Mr A Rose-Britton, appointed Non-Executive Director February 2022.

26 - Mr N Gossage, Resigned as Non-Executive Director 30th April 2022.

27 - Dr A Haynes Specialist Advisor to the Board from 19th April 2021. Chose not to be covered by the pension arrangements during the reporting year.

Expenses relate to travel/subsistence claims which may be taxable dependent on value/type.

Pensions-related benefit is disclosed for each senior manager based on their time in post as Director.

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV reflects the increase in CETV effectively funded by the employer. This calculation does not take account of any increase due to inflation or contributions paid by the employee.

On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022. Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022. For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023. This is called 'rollback'. Where a member is affected by rollback, the benefits in respect of their rolled back pensionable service during the remedy period are valued as being in the 1995/2008 Scheme.



Pension disclosure		2023/24						
Name and Title	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2024 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2024 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2023	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2024	Employer's contribution to stakeholder pension
Executive Directors	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mr P Robinson **	-	-	-	-	-	-	-	-
Mr P Bolton **	-	-	-	-	-	-	-	-
Ms R Eddie		37.5-40.0	45-50.	130-135	840	198	1,142	-
Dr D Selwyn **	-	-	-	-	-	-	-	-
Ms S Higginbotham *	-	-	15-20	0-5	449	-	-	-
Mr R Simcox *	0-2.5	32.5-35.0	30-35.	80-85.	372	184	612	-
Mr D Ainsworth *	-	32.5-35.0	50-55.	145-150	914	213	1,238	-
Mr R Mills *	5-7.5	42.5-45.0	30-35.	85-90.	310	256	617	-
Mrs S Brook Shanahan	0-2.5	-	0-5	0-5	29	16	62	-
Ms C Hinchley	0-2.5	0-2.5	35-40.	95-100.	449	10	717	-
	2022/23							
Mr P Robinson **	-	-	-	-	-	-	-	-
Mr P Bolton **	-	-	-	-	-	-	-	-
Ms R Eddie	-	-	45-50	80-85	887	-	840	-
Dr D Selwyn **	-	-	-	-	-	-	-	-
Ms S Higginbotham *	0-2.5		25-30	-	405	14	449	-
Mr R Simcox *	2.5-5	2.5-5	25-30	45-50	315	22	372	-
Mr D Ainsworth *	2.5-5	2.5-5	45-50	100-105	802	48	914	-
Mr R Mills *	2.5-5	2.5-5	20-25	35-40	254	32	310	-
Mr S Barton *	5-7.5	7.5-10	25-30	45-50	315	22	372	-
Ms C Teeney *	-	-	65-70	-	870	9	915	-
Mr M Duffield	0-2.5	-	0-5	-	52	-	62	-
Ms M McManus *	0-2.5	0-25	30-35	45-50	-	40	465	-
Mr R Binks	-	-	-	-	-	-	-	-
Notes			65					
* These members' pension entitlements relate to the total values under two different NHS schemes								
** chose not to be covered by the pension arrangements during the reporting year. Involvement in the NHS pension scheme terminated from Feb 20								

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide.

The pension benefit table provides further information on the pension benefits accruing to the individual.

### **Fair Pay Multiple**

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the Foundation Trust in the financial year

2023-24 was £205,000 - £210,000 (2022-23 was £210,000 - £215,000. This is a change in salary between years of 3.53%. (2022-23 2.4%). Excluding 6 agency and bank staff who worked on the 31 March 2024, where their salary has been extrapolated to full year equivalent costs, no employees (2022-23, 0) received remuneration more than the highest-paid director.

For all employees of the trust as whole the remuneration ranged from £10,324 to £207,496 (2022-23, £9,405 to £212,320). This excludes the agency and bank salaries more than the highest paid director, which have been extrapolated to yearly cost. The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 0.06% (2022-23 15.96%).

Total remuneration includes salary, non-consolidated performance related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The median remuneration is based on annualised, full-time equivalent remuneration of all employees as at the reporting date. This has been calculated excluding any enhancements or overtime payments.

Staff benefits in kind are not included as the information is not available until July.

There were no agency Board members as of 31 March 2024.

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

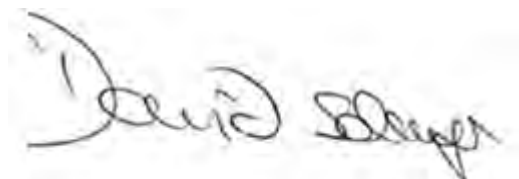
2023/24	25 <sup>th</sup> Percentile £	Median £	75 <sup>th</sup> Percentile £	2022/23	25 <sup>th</sup> Percentile £	Median £	75 <sup>th</sup> Percentile £
Salary Component of Pay	22,816	30,639	43,742	Salary Component of Pay	23,415	30,621	42,750
Total benefits excluding pension benefits	22,816	30,639	43,741	Total benefits excluding pension benefits	23,415	30,621	42,750
Pay and Benefits: Pay ratio for highest pay director	9.1	6.8	4.7	Pay and Benefits: Pay ratio for highest pay director	9.08	6.94	4.97

### Related party transactions

No related party transactions have been identified from a review of the register of interests.

### Compliance statement

In compliance with the UK Directors Remuneration Report Regulations 2002, the auditable part of the remuneration report comprises executive Director's remuneration and Non-Executive Director's fees.



**David Selwyn**  
Acting Chief Executive Officer

**25<sup>th</sup> June 2024**

## Staff Report

The largest group employed by us is nursing, midwifery, and health visiting staff, followed by administration and estates staff, then healthcare assistants and other support staff, and medical and dental staff. The smallest group is those employed as healthcare science staff.

Our average workforce numbers from 1 April 2023 to 31 March 2024 are:

### Average number of persons employed (Whole Time Equivalent) Subject to Audit

		2023/24		2022/23
	Total	Permanent	Other	Total
Medical and dental	856	754	102	728
Ambulance	2	2	0	2
Administration and estates	1,311	1,266	45	1,235
Healthcare assistants and other support staff	1,337	1,115	222	1,047
Nursing, midwifery and health visiting staff	1,687	1,479	208	1,557
Nursing, midwifery and health visiting learners	19	19	0	21
Scientific, therapeutic and technical staff	440	412	28	402
Healthcare science staff	157	155	2	154
Other	40	40	0	38
<b>Total average numbers</b>	<b>5,849</b>	<b>5,242</b>	<b>607</b>	<b>5,184</b>
Of which:				
Number of employees (WTE) engaged on capital projects	2	2		2

While only 2 full time members of staff were employed to permanently manage capital, other staff costs have been incurred and capitalised relating to specific 2023/24 capital projects.

The permanent WTEs numbers disclosed are based on the average number of monthly employees. This is different to the methodology set out in the FT ARM which is calculated based on weekly numbers.

### Breakdown of staff (actual headcount at 31 March 2024)

	Male	Female	Total
Director	11	4	15
Other Senior Manager	97	207	304
Employee	1098	4771	5869
Grand Total	1309	4879	6188



## Staff Costs - Subject to audit

	Total	Permanent	Other	Total
	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
	2023/24	2023/24	2022/23	2022/23
Salaries and wages	244,165	244,165	0	235,677
Social security costs	28,105	28,105	0	25,474
Apprenticeship levy	1,240	1,240	0	1,197
Pension cost - employer contributions to NHS pension scheme	27,186	27,186	0	25,092
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	11,857	11,857	0	10,959
Pension cost - other*	131	131	0	174
Other post employment benefits	0	0	0	0
Other employment benefits	0	0	0	0
Termination benefits	0	0	0	0
Temporary staff - external bank	0	0	0	0
Temporary staff - agency/contract staff	16,580	16,580		18,148
<b>TOTAL GROSS STAFF COSTS</b>	<b>329,264</b>	<b>312,684</b>	<b>16,580</b>	<b>316,721</b>
Recoveries from DHSC Group bodies in respect of staff cost netted off expenditure	0	0	0	0
Recoveries from other bodies in respect of staff cost netted off expenditure	0	0	0	0
<b>TOTAL STAFF COSTS</b>	<b>329,264</b>	<b>312,684</b>	<b>16,580</b>	<b>316,721</b>
Included within:				
Costs capitalised as part of assets	409	409	0	469

## Sickness absence

Information regarding our sickness absence data is published by NHS Digital at: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>

The sickness absence data for the Trust is outlined below. Please note the figures given are in calendar years (January 2023 to December 2023).

	Figures converted by DH to Best Estimates of Required Data Items			Statistics Published by NHS Digital from ESR Data Warehouse	
	Average FTE for 2023	Adjusted FTE days lost to Cabinet Office definitions	Average Sick Days per FTE	FTE-Days Available	FTE-Days Lost to Sickness Absence
Sherwood Forest Hospitals NHS Foundation Trust	5,168	54,838	10.6	1,886,219	88,959

## **Health and Safety at Work 2023/2024**

The Trust recognises the importance of ensuring the health, safety and well-being of all Trust employees as enshrined within the NHS Constitution. The Trust strives to provide all colleagues with a healthy and safe working environment.

The Trust's Health and Safety team works collaboratively with a wide range of different organisations, line managers, specialist teams and individuals to secure the health and safety of staff, patients, visitors, and contractors. This is in keeping with the ethos of the Health and Safety at Work Act 1974. The act recognises that everybody has a part in ensuring all who come in to contact with the work activities of the Trust are kept safe.

The Trust encourages divisional management teams and staff side representatives to work in partnership to ensure that all parties are engaged in health and safety management across the organisation.

The Trust's Health and Safety Committee acts as the main mechanism for consultation on work related health and safety matters. This forum meets every two months and reports to the Risk Committee which is chaired by the Chief Executive. The Health and Safety Committee also works closely with the People Wellbeing and Belonging Sub-Cabinet, the Estates Governance Group and the Infection Prevention and Control Committee to ensure that the full range health and safety related risks are properly identified, and suitable and sufficient controls are put in place.

The Trust uses a range of both reactive and proactive measures to monitor health and safety performance. One measure adopted is the rate of non-fatal injuries occurring that require reporting to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013.

In 2023/24 The Trust reported 11 staff injuries (12 in the previous year) and 1 patient injury under the reporting requirements of RIDDOR. Staff headcount for the Trust as of 31/03/2024 was 6,139 people (5,810 in the previous year) excluding bank and agency staff. We have successfully reduced the number of RIDDOR reportable injuries which is a success given the increase in staff headcount year on year.

The Trust's rate of RIDDOR reportable non-fatal injuries per 100,000 employees was 179 against a reported latest national average rate of 259 non-fatal injuries per 100,000 employees (for the human health activities sector). This is an improvement compared to last year's result of 206 non-fatal injuries per 100,000 employees against a national average of 307. The Trust continues to reduce serious injuries steadily year on year since 2017/18.

In line with both local and national health and safety priorities the work plan for the coming year will focus on reducing workplace ill-health, improving staff wellbeing, with a focus on the prevention of work-related musculoskeletal disorders plus violence and aggression. The aim of the function is to contribute to excellent patient care by make our people feel safe in both their working lives and their working environment.

## **Staff policies and actions applied during the financial year**

We follow a clear governance structure for the approval and ratification of policies and procedures for matters relating to current and prospective staff members. Each policy document has a complete Equality Impact Assessment covering all relevant equality strands. This ensures that we can mitigate any possible areas of direct or indirect discrimination as part of the approval and ratification process.

The associated people related policies capture aspects from the commencement of employment, identifying relevant statutory and mandatory training, and ensuring development to support career progression. Our policies also establish minimum expectations in relation to conduct, behaviour and performance, as well as supportive approaches to allow staff members to raise matters of concern in a safe and protected way.

We continue to operate fair recruitment practices to ensure equal access to employment opportunities for all.

We have been awarded 'Disability Confident Employer' status until March 2026 which supports the Trust to make the most of the talents disabled people can bring to the workplace.

This is used on our recruitment material (advertisements and offer letters) to show we encourage applications from applicants with disabilities. As an employer this status means we are committed to the following:

- Interviewing all applicants with a disability who meet the essential criteria for a job vacancy. Special adjustments to support attendance at interviews are made for candidates wherever possible as indicated by the candidate.
- Supporting and empowering staff on an annual basis to declare any disabilities via wellbeing conversations to support development and use abilities at work.
- Making every effort when employees become disabled to make sure they stay in employment.
- Taking action to ensure that all employees develop the appropriate level of disability awareness.
- Reviewing these commitments every year and assessing what has been achieved, planning ways to improve on them and letting employees and Jobcentre Plus know about progress and future plans.

We continue to expand our policies and procedures supporting colleagues' wellbeing throughout their employment, embedding the wellbeing agenda throughout the Trust with focus on supporting employees with the opportunities to talk about their mental health, financial wellbeing and overall wellbeing.

## **Information to be published under Regulation 8 revised Trade Union (Facility Time Publication Requirements) Regulations 2017**

### Table 1: Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

<b>Number of employees who were relevant union officials during the relevant period</b>	<b>Full-time equivalent employee number</b>
34	24.98

**Table 2: Percentage of time spent on facility time**

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

<b>Percentage of time</b>	<b>Number of employees</b>
0%	20
1-50%	10
51%-99%	0
100%	4

**Table 3: Percentage of pay bill spent on facility time**

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

<b>First Column</b>	<b>Figures</b>
Provide the total cost of facility time	106,033.89
Provide the total pay bill	328,967,926.13
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	0.03%

**Table 4: Paid trade union activities**

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	77.9%
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## Expenditure on consultancy

Consultants have been used where specific expertise is required which is not available in-house or where the capacity to complete a time limited exercise does not exist. No consultancy has been used for Executive level appointments. We spent £0.23m on consultancy during the year, (2022/23 £0.082m).

## Off-payroll engagements

The following tables disclose the number of staff with a significant influence over the management of the organisation where payment has been made directly to these staff or their companies, rather than via the Trust payroll.

<b>Table 1: For all off-payroll engagements as of 31 March 2024, for more than £245 per day and that last for longer than six months</b>	
Number of existing engagements as of 31 March 2024	0
Of which...	
No. that have existed for less than one year at time of reporting	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

**Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024, for more than £245 per day and that last for longer than six months**

Number of new engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024	0
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

**Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024**

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	0

## Process for off-payroll arrangements

The Trust's Temporary Worker Engagement Policy has a section covering the Engagement of Self-Employed Contractors wherein it is stated that Self Employed Contractors must never be engaged to cover business as usual operational resourcing requirements, staff vacancies and/or rota gaps. The engagement of Self-Employed Contractors would only ever be considered for specific project work and then only when an output-based and/or staged payment mechanism is possible.

Any manager considering the engagement of a Self-Employed Contractor is required to first seek the approval of the Trust's External Engagement Group. If the engagement is deemed appropriate and is approved by the External Engagement Group, then the requesting manager must refer to the Trust's Procurement Department for the specialist procurement and contracting advice and support that will be required to enable the engagement.

## Exit packages (subject to audit)

	2023/24			2022/23		
	Number of Compulsory Redundancies	Number of Other Departures agreed	Total Number of exit Packages by Cost Band	Number of Compulsory Redundancies	Number of Other Departures agreed	Total Number of exit Packages by Cost Band
<£10,000	0	3	3	0	1	1
£10,001 - £25,0000	0	2	2	0	1	1
£25,001 - £50,000	0	1	1	0	3	3
£50,001 - £100,000	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0
<b>Total number of packages by type</b>	0	6	6	0	5	5
<b>Total resource used</b>	0	81	81	0	118	118

	2023/24		2022/23	
	Agreements Number	Total Value of Agreements £000	Agreements Number	Total Value of Agreements £000
Voluntary redundancies including early retirement	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirement in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	5	66	5	118
Exit payments following Employment Tribunals or court orders	1	16	0	0
Non contractual payments requiring HMT approval	0	0	0	0
<b>Total</b>	6	82	5	118
Of which:				
non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	1	16	1	14



## **Staff Survey**

### **National Staff Survey**

#### **Staff Experience and Engagement**

The ongoing impact of the Covid-19 pandemic on our people remained evident throughout 2023/24. At the beginning of 2022 the People Directorate and the Culture and Improvement Directorate therefore developed a joint 3-year People, Culture, and Improvement Strategy, in response to the continued challenges our People face working in Sherwood Forest Hospitals and the wider NHS. The teams in both directorates have been committed to working collaboratively to support colleagues across SFH and the wider health and care system. A key enabler to this strategy has been the strong foundation of staff engagement at the organisation, and the document encompasses priority areas driven by what our colleagues have told us matters most to them. In June 2023 the People, Culture and Improvement Strategy was streamlined into the People Strategy 2022-2025 to align with the current Executive Leadership portfolios and Year 2 priorities.

An important vehicle for hearing the voices of our staff is the annual National Staff Survey. Each year the Trust culture improvement priorities are reviewed and refreshed in line with the results from this, along with feedback from the quarterly pulse surveys, Freedom to Speak Up Guardian, HR workforce information and Divisional feedback. Evidence from these indicates that Sherwood overall continues to have a high quality, positive culture, and where there are challenges, teams and individuals are supported to resolve these.

Engagement with colleagues continues to be a Trust priority, with the People Directorate working closely with the Trust Communications team to maximise internal communication channels and provide opportunities for 2-way communication wherever possible. The 2023 National Staff Survey results placed Sherwood Forest as 1<sup>st</sup> in the Midlands (and 1<sup>st</sup> nationally) for Staff Engagement anywhere in the country.

#### **NHS Staff Survey**

The NHS staff survey is conducted annually. From 2022/23 the survey questions align to the seven elements of the NHS 'People Promise' and retains the two previous themes of engagement and morale. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

The response rate to the 2022/23 survey among trust staff was 62% (2021/22: 61%) against a national average of 45%. This was the 8<sup>th</sup> highest response rate in the country for our comparator group.

#### **2023/24 and 2022/23**

Scores for each indicator together with that of the survey benchmarking group (Acute and Acute community trusts) are presented below:

Indicators (‘People Promise’ elements and themes)	2023/24		2022/23	
	Trust Score	Benchmarking Group Score	Trust Score	Benchmarking Group Score
People Promise				
We are compassionate and inclusive	7.6	7.2	7.6	7.2
We are recognised and rewarded	6.3	5.9	6.1	5.7
We each have a voice that counts	7.1	6.7	7.1	6.6
We are safe and healthy	6.4	6.1	6.2	5.9
We are always learning	6.1	5.6	5.9	5.4
We work flexibly	6.6	6.2	6.5	6.0
We are a team	7.1	6.8	7.0	6.6
Staff Engagement	7.3	6.9	7.2	6.8
Morale	6.5	5.9	6.3	5.7

For 2023/24 our benchmarking position regionally and nationally is as follows:

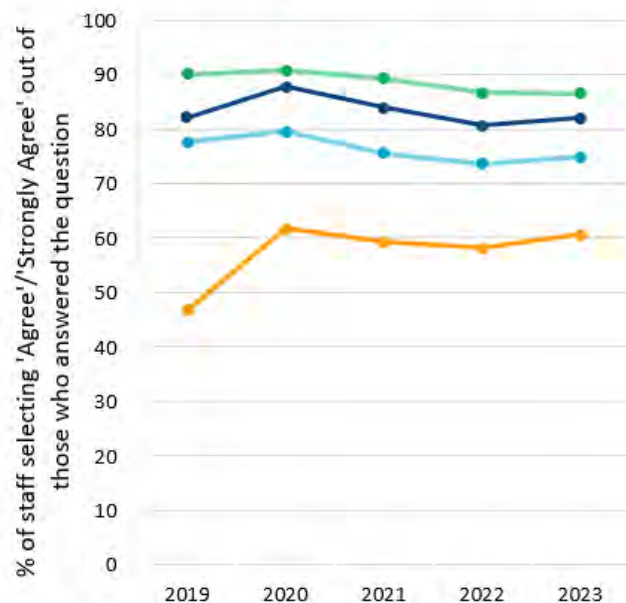
Theme	National Position ( /124 Acute/Acute Community Trusts)	Regional Position ( /21)
We are compassionate and inclusive	5th	2 <sup>nd</sup>
We are recognised and rewarded	6th	2 <sup>nd</sup>
We each have a voice that counts	2nd	1 <sup>st</sup>
We are safe and healthy	TBC*	TBC*
We are always learning	2nd	1 <sup>st</sup>
We work flexibly	3rd	2 <sup>nd</sup>
We are a team	5th	2 <sup>nd</sup>
Staff Engagement	1st	1 <sup>st</sup>
Morale	1st	1 <sup>st</sup>

\*These figures are not currently available due to a national issue with the data

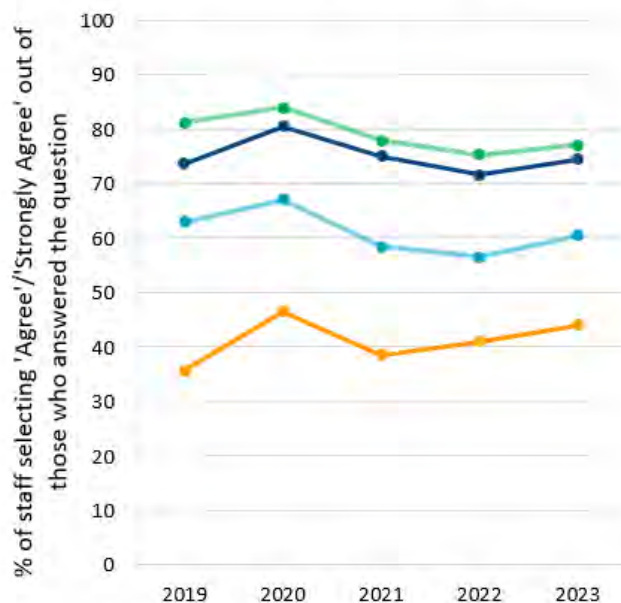
Sherwood Forest Hospitals is above the national average for our comparator peer group in all nine themes and the highest achieving Trust nationally for Staff Engagement and Morale.

The graphs below summarise the Trust 2023 National Staff Survey results for three key questions:

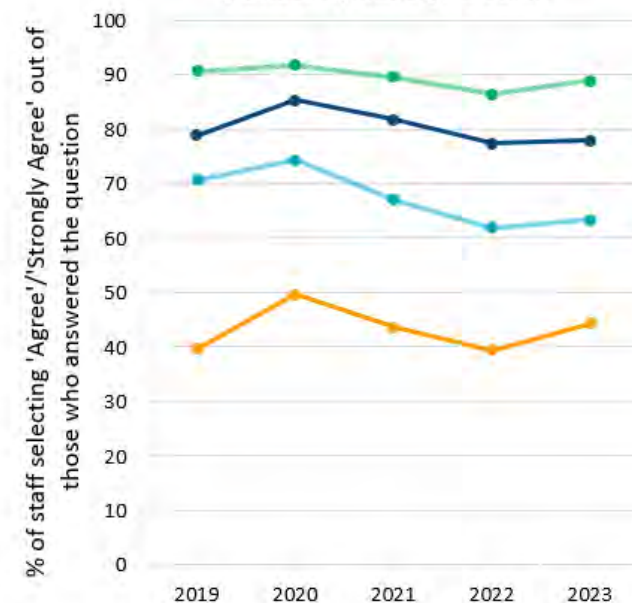
Q25a Care of patients / service users is my organisation's top priority.



Q25c I would recommend my organisation as a place to work.



Q25d If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.



Whilst we had a dip in 2022, SFH has made great progress this year with the sixth year running the Trust scored the highest score as the most recommended Acute Trust to work for in the Midlands and was the overall the second best Acute or Acute/Community Trust in England, which is a fantastic achievement.

## 2023/24 and 2022/23

Scores for each indicator together with that of the survey benchmarking group (acute and acute community trusts) are presented below.

	2023/24		2022/23	
	Trust	Benchmarking Group	Trust	Benchmarking Group
We are compassionate and inclusive				
Compassionate Culture	7.64	7.06	7.53	6.95
Compassionate Leadership	7.32	6.96	7.29	6.84
Diversity and Equality	8.48	8.12	8.49	8.11
Inclusion	7.08	6.86	7.05	6.83
We have a voice that counts				
Autonomy and Control	7.26	6.99	7.19	6.93
Raising Concern	6.94	6.41	6.94	6.39
We are safe and healthy				
Health and Safety Climate	6.08	5.45	5.80	5.19
Burnout	5.23	5.00	4.98	4.82
Negative Experience	7.87	7.75	7.80	7.68
We are always learning				
Development	6.83	6.44	6.80	6.32
Appraisals	5.29	4.74	4.96	4.37
We Work Flexibly				
Support for work-life balance	6.75	6.25	6.52	6.08
Flexible Working	6.53	6.15	6.43	5.96
We are a team				
Team Working	6.96	6.68	6.88	6.58
Line Management	7.15	6.80	7.12	6.68
Staff Engagement				
Motivation	7.28	7.04	7.16	6.95
Involvement	7.18	6.86	7.09	6.79
Advocacy	7.50	6.74	7.39	6.60
Morale				
Thinking about leaving	6.74	6.06	6.51	5.86
Work Pressure	6.17	5.13	5.75	4.96
Stressors	6.65	6.38	6.55	6.29

## **Future Priorities and Targets:**

Our priority areas for 2024 will be:

- Focus on improving experience and reporting of Physical violence including Sexual Safety
- Physical and emotional wellbeing of our people (burnout/exhaustion/motivation)
- Improve experiences for colleagues living with disabilities, colleagues from ethnic minorities and those from our LGBTQ+ communities.
- Continued improvement in reporting and addressing of unsafe clinical practice, including feedback and fairness in relation to clinical incidents.
- Leadership – wellbeing support from managers and colleagues, manager valuing and recognising colleague work, colleague involvement in management decision making.

We also recognise a need to focus on true engagement and communication to all colleagues in relation to the results, our priorities and more focused examples showcasing how we have improved throughout the year. This will be our commitment in 2024.

We also recognise a need to ensure we engage with colleagues more meaningfully through 121 interactions with our teams ensuring that everyone's voice is heard, including those who chose not to take part in the survey. We want to ensure that for the National Staff Survey in 2024 we improve our response rates by reaching those whose voices we haven't heard.

## **Actions and Monitoring**

The results have been communicated to colleagues in a number of ways including electronic and face-to-face briefings. Some of the positive results also feature in our recruitment campaigns.

The reports are analysed including a review of the anonymous comments that were captured in the free text as these provide further important context. Analysis is also undertaken by staff group, division, department, and site. Our People Cabinet will consider the themes and comments in detail and maintain oversight of Trust cultural improvements, with regular updates to the Trust People Committee.

Divisions and Department leads are sent a copy of the Trust report, their divisional results and the free text anonymous comments. They then actively explore the themes further with their teams and develop improvement initiatives pertinent to their division to address areas of concern. This also applies to corporate areas. We will undertake engagement sessions with divisional triumvirate leadership teams for them to present their reflections on their findings and to identify what support they need to improve the culture within their divisions.

The results are triangulated with other data sources such as the quarterly pulse surveys, workforce Key Performance Indicators (KPIs) and Speaking Up concerns. This enables more targeted actions and interventions to be identified and supported by People Directorate teams. In 2021/22 we designed an in-house survey explorer tool hosted on the intranet to allow any leader or individual in the organisation to review their own area's results which has again been updated with 2023/24 results.

The diversity and inclusivity results will be scrutinised by our staff networks and appropriate actions incorporated into their work programmes. The performance of the programme is

reported through to the People Committee. Such performance and activity is also reviewed in light of key priorities associated with the Trust's requirements under the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) for example.

## **Equality Reporting**

During the last year, the Trust has been working to deliver on the Sherwood EDI Improvement Plan following the publishing of the NHS EDI Improvement Plan in June 2023. The three-year plan sets out targeted actions to address the prejudice and discrimination – direct and indirect – that exists through behaviour, policies, practices and cultures against certain groups and individuals across the NHS workforce.

The Improvement plan will support our continued efforts to ensure that Sherwood is an inclusive place to work. Highlights from Year one include;

- All Executive Directors have an EDI related objective within their appraisal
- Introduction of agile working in addition to flexible working to support colleagues to work in different ways. The inclusion of agile working in our benefits guide for job seekers enhances our ability to attract candidates to Sherwood
- Ethnicity Pay Gap data has shown pay is favourable for BAME colleagues

One of the highlights of 23/24 has been the appointment of Amelia Tsolakis as People EDI Support Officer. Amelia joined the team at the end of November 2023 and has already made significant contributions to the EDI work programme.

Other highlights for our work during 2023/24 include;

- One of our colleague's shared their lived experience of hearing loss in a video we shared during Deaf Awareness Week (May '23) and another colleague shared their story of overcoming difficulties during Covid as a deaf person training to be a nurse during Disability History Month (Dec '23)
- We maintained our Carer Friendly Employer Accreditation from Nottinghamshire Carers and our nationally recognised Disability Confident Accreditation
- Reviewed our Allyship training content and re-commenced delivery of sessions in February '24
- Our usual PRIDE celebrations took place during July 2023 and this year, for the first time, Sherwood had a stand at Nottingham City PRIDE where we were able to showcase the Trust as a safe place to receive care and to work to thousands of citizens who visited the city for the event
  - In July 2023, we also launched our new Transgender and Non-Binary Policy and Guidance for colleagues and provided lunch and learn session throughout the month to improve colleagues understanding and awareness
- We have supported Divisions to embed EDI within their workforces through bespoke EDI training sessions delivered to Urgent and Emergency Care and Clinical Support, Therapies and Outpatients colleagues
- Successfully delivered our second annual REACH OUT! day where we celebrate Race, Ethnicity and Cultural Heritage at Sherwood. The day was a great success and included inspiring staff stories, entertainment and we were honoured to welcome Prof. Laura Serrant OBE as our guest speaker who delighted the audience with her very honest and inspirational story of her journey in Nursing

- Launched the NHS Health Passport during Disability History Month in December 2023 to support those with disabilities and/or long-term health conditions to have conversations with their manager about support that will help them at work
- Renewed our flag wall art at Kings Mill and flag banners at Newark and Mansfield to celebrate the race diversity within our teams; the number of flags has increased from 92 in 2023 to 102 in 2024
- We have developed an EDI Calendar showcasing the EDI awareness raising events during the year; we have also included the dates from our faith calendar
- Reviewed and improved the content of our EDI pages on the Intranet including updated Staff Network pages
- Very successful Women's Day celebration with over 30 colleagues joining a virtual coffee break which included a presentation on the importance of women's inclusion and Rachel Eddie shared her journey to Executive Leadership in the NHS which was well received by those in attendance
- Delivered a very well attended Neurodiversity lunch and learn session during Neurodiversity week
- Developed and delivered EDI training on the new Leadership Fundamentals training session
- Reviewed and updated our Reasonable Adjustments Guidance

### **Mandatory Reporting**

The Trust has met its obligations to report on Gender Pay Gap, the Workforce Race Equality Standard and the Workforce Disability Equality Standard and the results of these are published on our website. The results are examined and appropriate action plans to address any disparity are put in place.

### **Gender Pay Gap**

Sherwood Forest Hospitals has complied with the expectations associated with the gender pay regulations. Our report for 2023/24 can be viewed at the following link: [Sherwood Forest Hospitals \(sfh-tr.nhs.uk\)](https://www.sfh-tr.nhs.uk)

### **WRES and WDES**

Our reports for 2022/23 can be accessed via our website [Sherwood Forest Hospitals \(sfh-tr.nhs.uk\)](https://www.sfh-tr.nhs.uk)

We also meet our obligation to report our compliance with the Public Sector Equality Duty through our annual EDI Activity Report which is published in June each year and our latest report can be accessed via our website [Sherwood Forest Hospitals \(sfh-tr.nhs.uk\)](https://www.sfh-tr.nhs.uk).

### **Staff Networks:**

In June 2023, Staff Network Chairs featured in a Board Story highlighting the importance of our networks here at Sherwood and some of our achievements; our Chairs were grateful to be able to showcase what they do behind the scenes to support inclusion here at Sherwood. Staff Network Chairs were also invited by our Chief Executive to represent Sherwood Forest Hospitals at a special service at Westminster Abbey to celebrate the 75<sup>th</sup> Birthday of the NHS.

We have continued to promote staff networks throughout the Trust and encourage colleagues to be actively involved with the activities of the networks. Like previous years, engagement has been difficult for colleagues due to continued and unprecedented pressure on our services.

Despite difficulties, staff network members have contributed to key awareness raising activities and have supported with the review of the Reasonable Adjustment's Guidance and the Transgender and Non-Binary Policy and Guidance.

## **Modern Slavery**

This section outlines the Trust's responsibilities and responses to section 54 of the Modern Slavery Act 2015, it sets out the steps that the Trust has taken, and is continuing to take, to ensure that modern slavery and/or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. At SFHFT we recognise the significant role the NHS has to play in both combatting it and supporting victims of modern slavery and human trafficking and we fully support the governments objectives to eradicate this type of abuse. We are strongly committed to acting ethically and with integrity and transparency in all business dealings, ensuring effective systems and controls are in place to safeguard against any form of modern slavery.

We publish assurance on our Trust website that we do not support commissioning of any services linked to Modern Slavery and engage with any reviews locally and nationally where our patients may have been subject to modern slavery.

All members of staff have a personal responsibility for the successful prevention of modern slavery and human trafficking, with the Procurement Department taking a lead responsibility for compliance in the supply chain.

During 2023/24 procurement and the Trust safeguarding team have continued to work in collaboration to actively ensure all staff within the procurement team are aware of the risk of modern slavery and the responses required where this is suspected.

## **Policies on Slavery and Human Trafficking**

We are aware of our responsibilities towards patients, carers, employees, and the local community and expect all suppliers to adhere to the same ethical principles. Our supply chain includes procurement of agency staff, medical services, medical and other consumables, facilities maintenance, utilities, and waste management. We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our internal policies replicate our commitment to acting ethically and with integrity in all our business relationships.

Currently all awarded suppliers sign up to our terms and conditions of contract which provide provision to ensure each supplier's commitment to anti-slavery and human trafficking in their supply chain; and that they conduct their business in a manner that is consistent with Trust policies.



We operate several internal policies to ensure that we are conducting business in an ethical and transparent way. These include the following:

**Recruitment Policy:** We operate a robust recruitment policy and under due diligence to identify and mitigate the risks of modern slavery and human trafficking in our own business and our supply chain we:

- Complete pre-employment checks on staff we employ, confirming their identities and right to work in the United Kingdom.
- Ensure agencies are on NHS England's nationally approved frameworks and are audited to provide assurance that pre-employment clearance has been obtained for agency staff to safeguarding against human trafficking or individuals being forced to work against their will.
- Follow NHS Agenda for Change Terms and Conditions to ensure that staff receive fair pay rates and contractual terms.
- Consult with Trade Unions on any proposed changes to employment terms and conditions.

**Equal Opportunities:** We have a range of controls to protect staff from poor treatment and/or exploitation, which complies with legal and regulatory frameworks. These include terms and conditions of employment, mandatory Equality, Diversity and Inclusion training for all staff and access to further training and development.

**Safeguarding Policies inc. Managing Allegations Policy:** We adhere to the principles inherent in our Think Family Safeguarding Adult and Safeguarding Children policies. These are compliant with Nottinghamshire multiagency safeguarding arrangements and provide clear guidance to support our staff if they are raising safeguarding concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain.

**Speaking Up Policy:** We operate a Speaking Up Policy to support all employees to be able know that they can raise concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain, without fear of reprisal.

**Employment policies (including Policy and Procedure for Disclosure and Barring Service (DBS) Checks, Employment Records and Information Policy and Procedures, Professional Registration Policy, Induction Policy).** These policies explain our vetting and barring procedures, including conducting eligibility to work in the UK checks for all employees to safeguarding against human trafficking, or individuals being forced to work against their will. The Trust adheres to the National NHS employment Checks/Standards including guidance for Health Staff on identifying and supporting victims of modern slavery and guidance on the duty to notify the Home Office of potential victims of modern slavery.

## **Working with Suppliers**

Sherwood Forest Hospitals will work to identify and mitigate risk and put in place contractual terms allowing the Trust to gain assurance that slavery and human trafficking have no place in our business. We will work with suppliers to ensure that they treat their obligations towards modern slavery with the same importance that we do.

Suppliers are vetted through a robust Selection Questionnaire process before being appointed to any framework agreement.

All contracts are awarded under the NHS Terms and Conditions which contain clauses giving Sherwood Forest Hospitals the right to terminate a contract for failure to comply with labour laws.

When procuring goods and services, we additionally apply NHS Terms and Conditions (for non-clinical procurement) and the NHS Standard Contract (for clinical procurement). Both require suppliers to comply with relevant legislation.

The staff of Sherwood Forest Hospitals must contact and work with the Procurement department when looking to work with new suppliers so appropriate checks can be undertaken.

Where it is verified that a subcontractor has breached child labour laws or human trafficking, then this subcontractor will be excluded in accordance with Regulation 57 of the Public Contracts Regulation 2015. The Trust will require that the main contractor substitute a new subcontractor.

The Procurement team upholds the Chartered Institute of Procurement and Supply (CIPS) Code of Professional Conduct.

## **Training**

Advice and training about modern slavery and human trafficking is available to staff through our mandatory safeguarding adults and children training programs, safeguarding policies and procedures, and the Trust safeguarding team. It is also discussed at our mandatory safeguarding induction day for staff starting employment with Sherwood Forest Hospitals.

We are continuously looking at ways to increase awareness across the organisation, and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking in our supply chains and in our business.

## **Our Performance Indicators**

- We will know the effectiveness of the steps we are taking to ensure that modern slavery and/or human trafficking is not taking place within our business or supply chain if:
- No reports are received from our staff, the public, or law enforcement agencies to indicate that modern slavery practices are operational within our organisation.
- We monitor referrals to Social Care and will actively refer any cases we identify through the delivery of our services that may indicate any of our service users have been victim to modern day slavery, whilst in the community.

We report quarterly and annually via our safeguarding reporting mechanisms data relating to any safeguarding issues, along with trends and themes.

## Sustainability

In line with national NHS guidelines, for 2023/24 the Trust are for the first-time reporting following the 'task force on climate-related financial disclosures' (TCFD) requirements. As the NHS is taking a phased approach to TCFD during this inaugural year the Trust has fully complied with the NHS phase 1 reporting requirements.

In future Annual Reports the Trust will aim to comply with phase 2 & 3 requirements, HM Treasury guidance for which is still in draft format at the moment.

Trust Board oversight of climate-related issues.

The Board is provided with oversight of climate related issues via the Board Assurance Framework (BAF) in which Principal Risk 8 (PR8) is recorded as Failure to deliver sustainable reductions in the Trust's impact on climate change. The Finance Committee is the Lead Committee in relation to the management of Principal Risk 8 and is reported to the Board of Directors following its review at each Finance Committee meeting via the Committee's quadrant report.

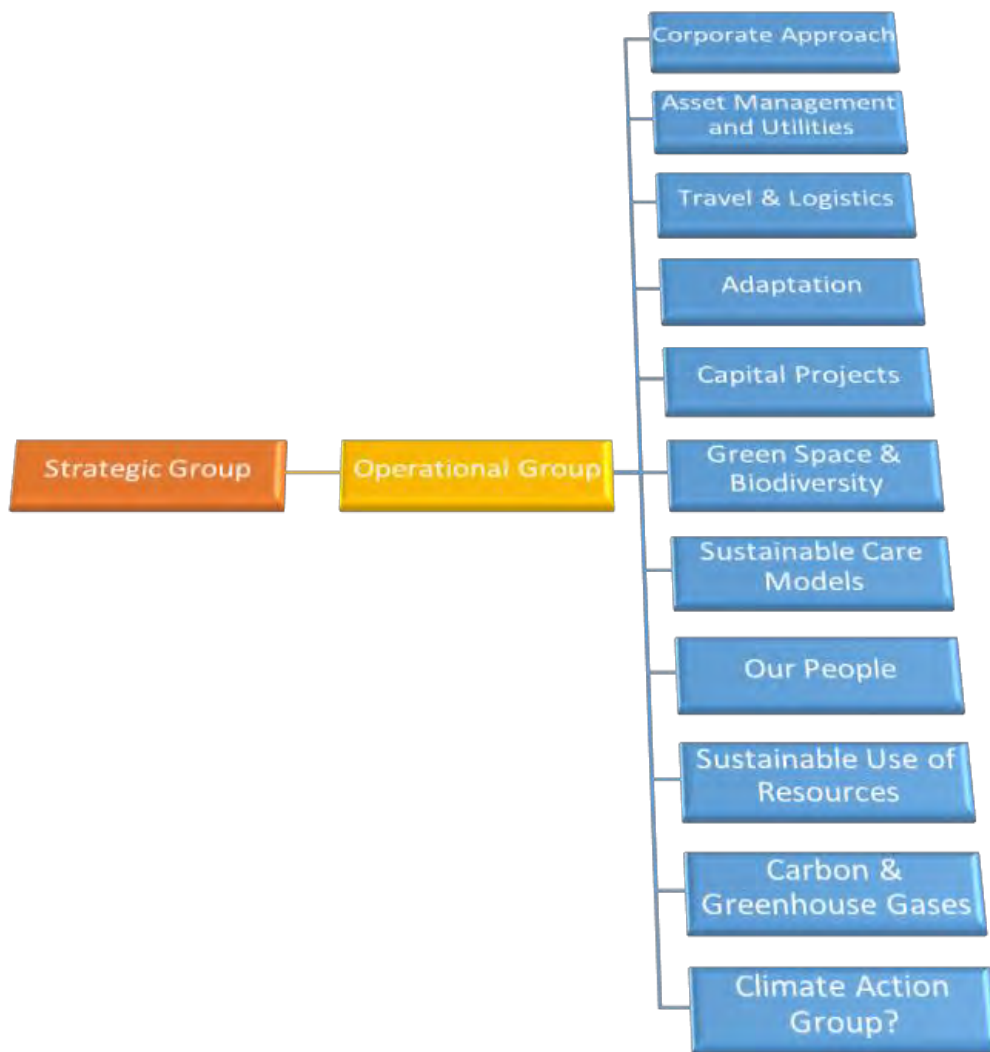
PR8 is reviewed at the Sustainability Development Operational Group (SDOG) chaired by the Associate Director of Estates & Facilities, with oversight from the Sustainability Development Strategic Group (SDSG) chaired by the Chief Financial Officer.

The Board of Directors approved the Green Plan in 2021 and this document now guides the strategic direction of the Trust to align to its commitments to the Green agenda in accordance with NHS and national climate commitments. The Green Plan influences policy direction at the Strategic Planning Oversight Group (SPOG) and is overseen by the Finance Committee. The Trust is an active member of the ICS Green Group, a collaboration of ICS providers in Nottinghamshire to influence the green agenda for the benefit of patients, staff and visitors across the population.

The Board monitors and oversees progress against goals and targets for addressing climate related issues via the SDSG report which informs the BAF PR8.

The Trust utilises a sustainability reporting structure to ensure that key areas of focus are considered on a regular basis. It has a basis of 11 chapter groups comprising of a variety of roles from within the Trust. These report in to the Sustainable Development Operational Group, which reports into the Sustainable Development Steering Group that provides assurance to the Finance Committee and the Board.

In addition to the reporting structure, the Trust employs a Sustainability Service Lead and Associate Medical Director (Clinical Lead for Climate Action) and Clinical Sustainability Fellows all of which have a focus on increasing sustainability within the Trust and working collaboratively with colleagues from across the Trust within the Climate Action Team.



The Trust has historically reported on historic carbon emissions back to 2014, however in looking to increase the data captured within its Carbon Footprint to include Nitrous Oxide, Entonox and Volatile Anaesthetic Gases, it will be reporting back to 2019 in line with NHSE requirements.

The Carbon emissions data will be reported using the internationally recognised convention of Scope 1, Scope 2 and Scope 3 emissions.

The Trust has nominated its Climate Action Clinical Lead (Associate Medical Director) to represent the Trust as Net Zero Lead.

In 2021 the Trust published its Green Plan, and report on progress as part of the Trust's Annual Report.

With regards to air pollution, in 2023 the Trust installed two bus stops near to the main entrance at Kings Mill Hospital to reduce the number of vehicles on site by making travel by public transport more appealing and convenient for all. It also has plans in place to install an additional 24 EV chargers to encourage staff to switch to cleaner vehicles where commuting by car is necessary.

Due to the Hospital operating a PFI contract the Trust does not own many vehicles but is looking to select cleaner alternatives when the lease on the current vehicles expires. Its PFI partners operate a number of electric vehicles which have charging facilities available for on-site use.

In summer 2023 (before publication of the Net Zero Travel and Transport Strategy) the Trust considered if it should restrict the vehicles offered via its salary sacrifice scheme to zero emission vehicles only. However, data analysis showed those on the lowest salary band were leasing lower cost petrol or diesel vehicles and it was not considered right to further increase vehicle costs for staff during the cost of living crisis.

To promote sustainable travel throughout the Trust is working alongside Travel Choice to offer free cycle training, advice on active travel routes to our sites and free Dr Bike maintenance events for staff, patients and visitors. Early in 2024 the Trust completed a staff travel survey and is using the results to make improvements to its active travel offer whenever possible. As a result of completing the travel surveys the Trust has been able to apply for a grant improve the cycle facilities at both Kings Mill and Newark hospital sites.

Working in collaboration with the NHS Forest the Trust has secured 150 wellbeing and wild food trees to plant around its Kings Mill Hospital site that will aid wellbeing for all on site as they grow and help reduce air pollution and increase biodiversity within the site.

The Trust has identified that Bee Orchids are growing within the grass at Kings Mill hospital, so the specific area has been protected from mowing. In addition, a no-mow campaign has been implemented across the majority of grassy areas on site during the summer months where it is planned to sow native wildflower seeds to improve biodiversity.

In order to phase out fossil fuel use at the Trust an application has been made via the Public Sector Decarbonisation Scheme to reduce the Greenhouse Gas emissions associated with our Central Sterile Services Department (CSSD) operations. The application was unsuccessful due to the initial Trust capital outlay requirements.

The Trust is proud to be Desflurane free and has taken positive steps to reduce the appeal of using Desflurane internally via sharing knowledge and best practice with colleagues, plus reducing the accessibility of this potent Greenhouse Gas anaesthetic which had a significant effect on use.

As part of its efforts to reduce emissions, the NHS targeted a reduction in Desflurane use from 20% in 2020/2021 to 10% in 2021/2022 across all its providers.

The SFH anaesthetic team has exceeded the NHS targets to use below 2% in 2020/2021, below 1% in 2021/22 and to 0% in 2022/2023. Through changes to current practice, the Trust has successfully removed Desflurane from its hospitals.

The Trust has considered the use of Nitrous Oxide manifolds within its hospitals. During 2022/23 approximately 93% of its piped Nitrous Oxide was lost. A proposal was put together to support capping off the manifold and switching to using cylinders of Nitrous Oxide at the point of use, but the necessary equipment changes required could not be funded. Recently the Trust has learnt from another Trust about a different, more cost-effective approach that has meant plans are underway to investigate the feasibility of removing the Nitrous Oxide manifolds via this alternative solution.

When procuring goods, services and/or works, the Trust complies with the requirements set out in the NHS Net Zero Supplier Roadmap.

During the year the Trust submitted an internal application for funds to support a solar PV installation – but unfortunately there was no capital available to support.

Understanding the requirements of NHS England for Trusts to have a Heat Decarbonisation Plan in place by the end of 2023/24, the Trust applied for internal funds to support the preparation of this document – however no funding was available to support. The Trust has since learnt that the upcoming Low Carbon Skills Fund 5 will provide grants to support the provision of Heat Decarbonisation Plans and so an application is being submitting.

The Trust is looking into alternative strategies to realise its sustainability goals as self-funding is challenging in the current financial climate. By working with other organisations the Trust can decarbonise and improve its greener transport offers without the capital outlay usually associated with these schemes.

The Trust will continue to monitor the availability of grants such as the Low Carbon Skills Fund (LCSF) and Public Sector Decarbonisation Scheme (PSDS) as and when they are released by the government. The Trust actively applies for all suitable grant schemes although there is no guarantee that the funding can be secured as demand is high.

The Trust's main risk assessment relating to climate change is the Board Assurance Framework (PR8). As the workstreams mature, specific areas including adaption planning will be subject to further risk assessment as the plans progress.

## Valuing our Members

### Membership information as at May 2024

#### Public breakdown by constituency

Newark & Sherwood	3,145
Rest of East Midlands	10,133

#### Public membership breakdown

	Number of members	Membership profile	Population profile
Age (years)			
0-16	0	0.00%	19.59%
17-21	76	0.56%	6.04%
22-29	250	1.86%	9.90%
30-39	853	6.33%	12.50%
40-49	852	6.33%	11.81%
50-59	1,795	13.33%	13.91%
60-74	3,794	28.17%	16.69%
75+	4,824	35.82%	9.56%
Not stated	1,025	7.61%	N/A
Ethnicity			
White	11,949	88.72%	82.05%
Mixed	37	0.27%	1.75%
Asian	90	0.66%	5.94%
Black	38	0.28%	1.64%
Other	8	0.06%	0.52%

Not stated	1,347	10.00%	8.09%
Gender			
Male	4,747	35.24%	49.51%
Female	8,524	63.29%	50.49%
Transgender	1	0.01%	0.00%
Not stated	197	1.46%	0.00%

### **Membership activity, events, and communication**

As with the previous years, the Governors' Membership and Engagement Committee has continued to focus on how best to engage with members. We have continued to issue a monthly e-newsletter, Trust Matters to maintain communication with our members.

### **Annual General Meeting / Annual Members' Meeting**

The AGM was held at the Kings Mill Hospital site on 26th September 2023.

The Trust will continue to work closely with its members to help it to be truly accountable for the quality of the services it provide to the local communities.

Members can contact their governors either through the Trust website or by contacting the Director of Corporate Affairs, Sherwood Forest Hospitals NHS Foundation Trust, Trust Headquarters, Level 1, King's Mill Hospital, Mansfield Road, Sutton in Ashfield, Nottinghamshire, NG17 4JL or by emailing [sfh-tr.governors@nhs.net](mailto:sfh-tr.governors@nhs.net).

### **Valuing our Governors**

As an NHS Foundation Trust, we are accountable to the Council of Governors, which represents the views of members. The two key statutory duties of the Council of Governors are:

- To hold the non-executive directors individually and collectively to account for the performance of the Board of Directors.
- To represent the interests of our members and of the public.

In addition, the Council of Governors, among other matters, is responsible for making decisions regarding the appointment or removal of the Chair, the Non-Executive Directors, and the Trust's External Auditors.

Our Constitution makes clear the process to appoint or remove the Chair and the other Non-Executive Directors, including the Governors' role in deciding the remuneration and allowances and other terms and conditions of office of the Non-Executive Directors.

The Council met several times during the year (see table). The meetings were well attended, with debate across several areas of interest.



One of the key roles of the Governors is engagement with their constituencies to gain feedback and report to the Council and subsequently the Board of Directors. Governors achieve this by holding regular 'Meet Your Governor' events across all three hospital sites and in the community. At these events new members are recruited and patients, visitors and staff can discuss their views of the services provided. These events have been well supported by governors throughout the year.

The Governors continue to observe Board Committees to fulfil their statutory duty of holding the Non-Executive Directors to account. This enables the governors to gain assurance regarding how the Non-Executive Directors hold the executive to account and how strategic objectives are progressed and implemented. The observers then report their observations from the meetings back to the quarterly Council of Governors meetings.

Governor elections were held with the results announced in July 2023 to fill the five vacancies in the Rest of the East Midlands public constituency that covers Mansfield, Ashfield and the rest of the East Midlands, the three further vacancies in the Trust's public constituency for Newark and Sherwood, and one staff governor.

External development is offered to and undertaken by governors through an expressions of interest process where the Governors who attend share their learning with other Governors. In addition, regular internal development is undertaken through quarterly workshops, the topics of which are suggested and agreed by the Governors.

#### **Attendance at Council of Governor meetings**

There have been four full general Council of Governors meetings during the year. The following table details the Governors, the constituency they represent, their attendance and the date elected/appointed.

**Attendance at Full COG (scheduled meetings)**

NAME	AREA COVERED	CONSTITUENCY	FULL COG MEETING DATES				TERMS OF OFFICE	DATE ELECTED	TERM ENDS
			09/05/2023	31/07/2023	14/11/2023	13/02/2024			
Angie Jackson	Mansfield District Council	Appointed		P	P	P	4	23/05/23	31/05/27
Ann Mackie	Newark & Sherwood	Public	A				3	01/05/22	30/04/25
Craig Whitby	Mansfield District Council	Appointed	X				4	21/05/19	31/05/23
David Walters	Ashfield District Council	Appointed	A	A	A	A	1	23/04/20	31/05/24
Dean Wilson	Rest of East Midlands	Public		A	A	P	3	06/07/23	31/10/26
Ian Holden	Newark & Sherwood	Public	P	P	P	P	3	01/05/22	30/04/25
Jane Stubbings	Rest of East Midlands	Public	P	P	P	P	3	01/05/22	30/04/25
John Doddy	Nottinghamshire County Council	Appointed	P	P	X	X	4	14/07/21	31/05/25
John Dove	Rest of East Midlands	Public		P	A	P	3	07/07/23	06/07/26
John Wood	Rest of East Midlands	Public	P	A	P	A	3	01/05/22	30/04/25
Justin Wyatt	Staff	Staff	X	P	P	X	3	01/05/22	30/04/25
Karen Nadin	Newark & Sherwood	Public		P			3	07/07/23	06/07/26
Kevin Stewart	Volunteers	Appointed	P	P	A	P	3	28/02/23	28/02/26
Linda Dales	Newark & Sherwood District Council	Appointed	A	P	P	A	1	15/07/21	31/05/24
Liz Barrett	Rest of East Midlands	Public	P	P	P	P	3	01/05/22	30/04/25
Michael Longdon	Rest of East Midlands	Public	X				3	01/05/22	30/04/25
Neal Cooper	Rest of East Midlands	Public	P	P	P	X	3	13/05/22	30/04/25
Nikki Slack	Vision West Notts	Appointed	A	P	A	A	N/A	17/07/19	N/A
Pam Kirby	Rest of East Midlands	Public		P	P	P	3	07/07/23	06/07/26
Peter Gregory	Newark & Sherwood	Public		P	A	A	3	07/07/23	06/07/26
Ruth Scott	Rest of East Midlands	Public	X	P	A	X	3	01/05/22	30/04/25

Sam Musson	Staff	Staff		P	P	P	3	07/07/23	06/07/26
Shane O'Neill	Newark & Sherwood	Public		P	P	P	3	07/07/23	06/07/26
Steven Hunkin	Rest of East Midlands	Public		P	X	X	3	07/07/23	06/07/26
Sue Holmes	Rest of East Midlands	Public	P	P			3	01/11/20	31/10/23
Tracy Burton	Rest of East Midlands	Public		P	P	A	3	07/07/23	06/07/26
Vikram Desai	Staff	Staff	A	X	A	P	3	01/05/22	30/04/25

P = Present  
A = Apologies  
X = Absent

#### Non-Executive Director Attendance at Council of Governors

NAME	FULL COG MEETING DATES			
	09/05/2023	31/07/2023	14/11/2023	13/02/2024
Claire Ward	P	P	P	P
Graham Ward	P	P	P	P
Barbara Brady	P	P	P	P
Manjeet Gill	P	P	A	P
Steve Banks	P	A	P	A
Dr Aly Rashid	P	P	P	P
Andrew Rose-Britton	P	P	A	P
Neil McDonald				P

P = Present  
A = Apologies  
X = Absent

## Lead Governor annual report 2023-2024

It has been a busy year for Sherwood Forest Hospital Governors and a year of change. We have said 'thank you and goodbye' (in a Governor stance) to Sue Holmes who was our fabulous Lead Governor. Sue worked tirelessly to support SFHFT over a nine-year period as a governor (and part of this time as Lead Governor) and her legacy and impact is evident for all to see. Sue was passionate about the community and about hearing their voices as to what was working well within SFHFT and what we could do better. Sue trailblazed getting SFHFT governors out and about into the community at events. These included Ashfield Day and visiting Food Banks which all had a positive impact upon recruiting new SFHFT members and hearing hospital experiences which were formally fed back to the SFHFT team. Along with Sue leaving the team of Governors we have also said 'thank you and goodbye' to five governors for different reasons, from their term of office naturally expiring to personal circumstances leading to them needing to resign. Each and every Governor has contributed to the SFHFT shared mission, and we are very grateful for this.

This year we have also been blessed to welcome ten new governors. We conducted the governor recruitment process slightly different this year to ensure that all who applied had a secure understanding as to the SFHFT 'ask' of them as governors before they joined. This transparency is critical in enabling a good 'match' both ways from the start. We have been truly blessed with the quality of the new governors who are now part of our governing body. Their skill sets, knowledge, care and commitment combined with existing well experienced governors is having a really positive impact upon the volunteer work that the SFHFT governing body do. On the 1<sup>st</sup> November 2023 I also become Lead Governor.

As a team of governors, we have continued to routinely engage in the fabulous '15 Steps' initiative which enables us to work alongside the executive team to 'temperature check' different wards and areas within SFHFT. This process also enables us to learn more about the Trust and to spend time with patients and staff. It allows us first hand to 'sense check' information presented in meetings by the SFHFT team and to be able to relay positives and areas for improvement back to the SFHFT team.

Governors also actively participate in 'Meet your governor' on a monthly basis. This has helped us to meet patients, the community and staff and to feedback issues, concerns and praise. We do however feel that we can improve this even further during 2024/25 by ensuring that it is more focused. This will form a topic during our governor conference on the 16<sup>th</sup> April 2024 with the new process then being trialled shortly afterwards.

As an active Governing body, we also engage in Governwell courses along with attending different SFHFT meetings as observers. This approach facilitates even greater transparency over critical areas such as finance, quality etc. We also actively engaged in the SFHFT 5-year strategy.

In my role as Lead Governor, I am really keen to ensure that as governors we can raise questions / concerns at any point to gain further clarity on matters. To this end, questions on mortality after the mortality presentation were raised by governors. To further discussion, debate and transparency a whole agenda item meeting on mortality was conducted. Governors, Exec Team members, NEDs and a consultant all attended. The meeting was rich in data and content and really did foster a positive culture of questions, answers, probing, explanation, modelling etc.

I have continued to work with the Lead Governors from Notts Healthcare and Doncaster and Bassetlaw Foundation Trust after Sue Holmes departure on different shared issues / topics linked to the ICB and governance. We have had several meetings with Healthwatch who are working with us to develop governance memorandum of understanding linked to the ICB.

Our aforementioned Governor conference is to be held on the 16<sup>th</sup> April 2024. I have tried hard to listen to all what governors have been sharing and work with the Director of Corporate Affairs to ensure that governance remains as strong as possible and continues to improve in terms of its reach, focus and impact. The conference will provide a reflection point for us as a governing body team and a reframe in terms of focuses moving forward.

A handwritten signature in black ink, appearing to read 'S-A-B' followed by a long horizontal flourish.

**Liz Barrett OBE**

**Lead Governor**

## Code of Governance for NHS Provider Trusts

Sherwood Forest Hospitals NHS Foundation Trust has applied the principles of the Code of Governance for NHS provider trusts on a comply or explain basis. The Code of Governance NHS provider trusts replaced the NHS Foundation Trust Code of Governance on 1<sup>st</sup> April 2023.

Part of Schedule A	Code section	Summary of requirement	Reference Page numbers
Disclose	A.2.1	The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.	11, 37 & 117
Disclose	A.2.3	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	8, 14, 15, 18, 29, 30, 75, 77, 79, 103, 123 & 135
Disclose	A.2.8	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	8, 11, 13, 15, 35, 36, 103 & 115
Disclose	A.2.6	The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence	24, 25, 55, 58, 101 & 103

		<p>include, but are not limited to, whether a director:</p> <ul style="list-style-type: none"> <li>• has been an employee of the trust within the last two years</li> <li>• has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the trust</li> <li>• has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme</li> <li>• has close family ties with any of the trust's advisers, directors or senior employees</li> <li>• holds cross-directorships or has significant links with other directors through involvement with other companies or bodies</li> <li>• has served on the trust board for more than six years from the date of their first appointment</li> <li>• is an appointed representative of the trust's university medical or dental school.</li> </ul> <p>Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.</p>	
Disclose	B.2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.	25, 26 & 103
Disclose	B.2.17	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.	10, 26, 32, 58, 89, 90, 101 & 108
Disclose	C.2.5	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.	72

Disclose	C.2.8	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	58, 89 & 107
Disclose	C.4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	24, 25, 58, 100 & 101
Disclose	C.4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the trust or individual directors.	100
Disclose	C.4.13	The annual report should describe the work of the nominations committee(s), including: <ul style="list-style-type: none"> <li>• the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline</li> <li>• how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition</li> <li>• the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives</li> <li>• the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served</li> <li>• the gender balance of senior management and their direct reports.</li> </ul>	39, 56, 58,79, 81 & 107
Disclose	C.5.15	Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	10 & 32



Disclose	D.2.4	<p>The annual report should include:</p> <ul style="list-style-type: none"> <li>• the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed</li> <li>• an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans</li> <li>• where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit</li> <li>• an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.</li> </ul>	104 – 106, 110 & 127
Disclose	D.2.6	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.	23
Disclose	D.2.7	The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.	15, 69, 103, 105 & 114
Disclose	D.2.8	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	104, 112, 113 & 117
Disclose	D.2.9	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation trust annual reporting manual which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services	16 & 129

		in the public sector. As a result, material uncertainties over going concern are expected to be rare.	
Disclose	E.2.3	Where a trust releases an executive director, eg to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	Not applicable in the reporting year
Disclose	Appendix B, para 2.3 (not in Schedule A)	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	60, 61 & 91
Disclose	Appendix B, para 2.14 (not in Schedule A)	The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.	10, 32, 37 & 89
Disclose	Appendix B, para 2.15 (not in Schedule A)	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, eg through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	91, 92 & 101
Disclose	Additional requirement of FT ARM resulting from legislation	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance).	Not applicable in the reporting year

		** As inserted by section 151 (6) of the Health and Social Care Act 2012)	
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Our Board of Directors is focused on achieving long-term success for the organisation and our vision of becoming an outstanding organisation, through the application of sound business strategies and the maintenance of high standards in corporate governance and corporate responsibility. The Trust commissioned an independent Well-Led review that reported in April 2022 with 15 recommendations made. The progress against the recommendations and embeddedness of the actions taken has been reported to the Board most recently in March 2024, at which meeting it was agreed to commission a follow up report in the context of the CQC's updated assessment framework.

The following statements explain our governance policies and practices and provide insight into how the Board and management run the Trust for the benefit of patients, carers, the community, and our membership.

Our Board of Directors bring a range of experience and expertise to its stewardship of the organisation and continues to demonstrate the vision, oversight and encouragement required to enable our organisation to thrive and improve on a continuous basis. During the past year we welcomed new members to the Board, each bringing excellent skills and expertise to the organisation and providing crucial stable leadership.

At the end of the reporting year the Board comprised eight Non-Executive Directors including the Chair (holding majority voting rights), six Executive Directors (voting), including the Chief Executive, two corporate Directors (non-voting) and one specialist advisor (non-voting).

The Chair is responsible for the effective working of the Board, for the balance of its membership subject to Board and Governor approval, and for making certain all Directors play their full part in setting and delivering our strategic direction and ensuring effective and efficient performance. The Chair conducts annual appraisals of the Non-Executive Directors as well as the Chief Executive.

The Chief Executive is responsible for all aspects of the management of the organisation. This includes developing appropriate business strategies agreed by the Board, ensuring related objectives and policies are adopted throughout, the effective setting of budgets, and monitoring performance. The Chief Executive is also responsible for conducting the annual appraisals of the executive and corporate Directors of the Board.

The Chair, with the support of the Director of Corporate Affairs ensures the Directors and Governors receive accurate, timely and clear information. Directors are encouraged to update their skills, knowledge, and familiarity with the organisation's business through their induction, on-going participation at Board and committee meetings, attendance and participation at development events and through meetings with Governors.

There is an understanding that any Non-Executive Director, wishing to do so in the furtherance of their duties, may take independent professional advice through the Director of Corporate Affairs at the organisation's expense.

Our Non-Executive Directors offer a wide range of skills and experience and bring an independent perspective on issues of strategy, performance, and risk through their contribution at Board and committee meetings. The Board considers that, throughout the year, each Non-Executive Director has been independent in character and judgement and met the independence criteria set out within the Code of Governance for NHS Provider Trusts. Non-Executive Directors have ensured they have sufficient time to carry out their duties. During the year, time has been spent with Governors to help understand external views of the organisation and our strategies, and all Non-Executive Directors and the Chief Executive attend the Council of Governors meetings.

Several key decisions and matters are reserved for the Board's approval and are not delegated to management. Our Board delegates certain responsibilities to its committees, to assist it in carrying out its function of ensuring independent oversight. The Board of Directors has a formal schedule of matters reserved for its decisions and has in-date and relevant terms of reference for all Board committees. Monthly updates on our performance are discussed at the Board of Directors meetings. The Board delegates the management of overall performance to the Chief Executive who leads the setting of clear priorities so that the organisation is managed efficiently to the highest quality standards and in keeping with our values.

The Board committees report annually on their effectiveness and review their Terms of References and work plans to ensure alignment with the organisation's priorities and the Board work schedule.

Our engagement policy outlines the mechanisms by which the Council of Governors and Board of Directors communicate with each other to support engagement, ensure compliance with the regulatory framework, and specifically provide for any circumstances where the Council of Governors may raise concerns about the performance of the Board of Directors, compliance with the Trust's Provider Licence, or other matters related to the overall wellbeing of the organisation.


















## **Counter fraud**

Our Board of Directors attaches significant importance to the issue of fraud and corruption. Reported concerns have been investigated by the local counter fraud specialists in liaison with NHS Counter Fraud Authority (NHSCFA). All investigations are reported to the Audit and Assurance Committee.

## **Functional Standard Summary:**

The Trust is required to self-assess against the 13 requirements of the Counter Fraud Functional Standard (CFFS) annually by completing and submitting the Trust's Counter Fraud Functional Standard Return (CFFSR). The assessment for 2024 is expected to be a 'Green' rating in all 13 requirements.

The table below shows how the Trust scored itself for each component as part of the 2023 CFFSR, and the projection for the 2024 CFFSR.

Functional Standard Requirement	2023 CFFSR		Projected 2024 CFFSR	
Component 1A: Accountable individual				
Component 1B: Accountable individual				
Component 2: Counter fraud, bribery and corruption strategy				
Component 3: Fraud, bribery and corruption risk assessment				
Component 4: Policy and response plan				
Component 5: Annual action plan				
Component 6: Outcome-based metrics				
Component 7: Reporting routes for staff, contractors and public				
Component 8: Report identified loss				
Component 9: Access to trained investigators				
Component 10: Undertake detection activity				
Component 11: Access to and completion of training				
Component 12: Policies and registers for gifts and hospitality and COI				

The Trust has a nominated Counter Fraud Specialist (CFS) in place. The CFS is responsible for carrying out a range of activities in compliance with the above standards that are overseen by the Chief Finance Officer and the Audit and Assurance Committee.

Colleagues have access to counter fraud awareness training which forms part of employee induction training, and several bulletins were issued during the year to highlight how colleagues should raise concerns and suspicions. The CFS has also developed a range of role specific training sides which are available to all staff.

We continue to work to maintain an anti-fraud culture and we have in place a range of policies and procedures to minimise risk in this area. This includes the Counter Fraud Bribery and Corruption Policy, which is designed to make all staff aware of their responsibilities, should they suspect offences being committed.

### NHS Resolution

Our CNST premium reduced marginally £0.15m in 2023/24 (£15.32m to £15.21m).

## Committees of the Board

All committees of the Board are chaired by a Non-Executive Director. In 2023/24 these committees included:

- The Audit and Assurance Committee, the principal purpose of which is to enhance confidence in the integrity of the Trust's processes and procedures relating to internal control and corporate reporting.
- The Quality Committee, which enables the Board to obtain assurance regarding standards of care and to ensure that adequate and appropriate clinical governance structures, processes and controls are in place.
- The Finance Committee, which oversees the development and implementation of our strategic financial plan and the management of the principal risks to achieving that plan.
- The People Committee's principal purpose is to provide scrutiny and assurance of the development, delivery and impact of the Trust's workforce strategy and plan, together with providing assurance concerning organisational development activity undertaken to promote and embed an effective organisational culture.
- The Remuneration and Nomination Committee ensures the remuneration packages are sufficient to attract, retain and motivate Executives and senior officers (Directors) of the highest quality.
- The Partnerships and Communities Committee, a new committee, which reports on System wide activities in order to give assurance to the Board that the Trust is fulfilling its role as an anchor organisation and to assess the priorities and benefits from strategic partnerships.

### Audit and Assurance Committee

1. The Audit and Assurance Committee was chaired by Non-Executive Director Graham Ward, who is a fellow of the Chartered Institute of Management Accountants and has extensive financial expertise until the July 2023 meeting, around which time all Committee Chairs changed. From September 2023 Manjeet Gill succeeded Graham Ward as Committee Chair. Manjeet brings wide experience from both the NHS and other sectors, especially in relation to wider system working. Graham remains as Vice Chair and fulfils the requirement in the Committee's terms of reference that one or other of the Chair and Vice Chair should have recent relevant financial experience. The terms of Reference also make it clear that the membership exclusively comprises Non-Executive Directors, with executives and others considered being 'in attendance'. Attendance of Non-Executive members at meetings is detailed below:

Graham Ward	7/7
Barbara Brady	2/3
Steve Banks	7/7
Manjeet Gill	3/4

In assessing the quality of our control environment, the Committee received reports during the year from the external auditors, KPMG, and the internal auditors, 360 Assurance, on the work they had undertaken in reviewing and auditing the control environment.

The Committee works with the Local Counter Fraud Service and Trust colleagues to actively promote, raise awareness, and encourage people to raise concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. The Local Counter Fraud Service has a standing invitation to all meetings, with relevant policies readily available on our intranet. The Audit and Assurance Committee routinely receives financial information, including cash and liquidity and the going concern status of the organisation, as well as operational information.

### **Principal review areas**

The five key duties of the Committee as set out in the terms of reference.

#### **1. Governance and internal control**

The Committee has reviewed relevant disclosure statements, in particular the Annual Governance Statement (AGS) together with the Head of Internal Audit Opinion, External Audit opinions (Financial and Quality Accounts) and other appropriate independent assurances and consider that the AGS is consistent with the Committee's view on the Trust's system of internal control.

The Committee has received update reports on Information Governance including that the Data Security Protection Toolkit compliance was Met. The internal auditors provided their overall assessment on compliance with the toolkit as Moderate, with seven out of the 10 NDG Standards rated as substantial and the remaining three as Moderate.

#### **2. Internal audit**

Through the year the Committee has worked effectively with internal audit to strengthen the Trust's internal control processes. The Committee has also in year:

- Reviewed and approved the internal audit operational plan and more detailed programme of work initially and then on an on-going basis, while ensuring the provision of the internal audit service continued to be sufficient in supporting the Committee to fulfil its role
- Considered the major findings of internal audit and are assured that the Head of Internal Audit Opinion and AGS reflect any significant internal control issues.
- Invited the lead director of the one internal audit reports issued with Limited Assurance to attend Committee meetings, present the report, and provide assurance actions will be implemented within agreed timescales.
- Worked with colleagues internally and externally to maintain and improve performance regarding the provision of evidence and the achievement of internal audit actions.
- Held regular review of outstanding audit actions and are assured a robust progress monitoring process is in place.

### 3. Counter Fraud Service

The Committee received regular progress reports on activity conducted as part of the agreed Counter Fraud Work Plan, including:

- Annual Report
- Updates on investigations
- Conflicts of Interest Policy and Declarations of Interest Register review
- Risk assessment in line with Counter Fraud Functional Standards

### 4. External audit

The Committee reviewed and agreed the external audit's annual plan, noting that the Trust's significant risks are: Fraud risk – expenditure recognition, Management override of controls, Valuation of Land & Buildings, and PFI Transition to IFRS 16.

The Committee reviews and comments on reports prepared by external audit and welcomes their advice on areas of specific expertise.

### 5. Management

The Committee has continually challenged the assurance process when appropriate and has requested and received assurance reports from Trust management and various other sources both internally and externally throughout the year. This process included calling managers to account when considered necessary to obtain relevant assurance.

## **Standards of business conduct**

The Board of Directors recognises the importance of adopting the organisation's Standards of Business Conduct. These standards provide information, education, and resources to help colleagues make well-informed business decisions and to act on them with integrity.

## **Internal audit (360 Assurance)**

The Audit Plan for 2023/24 was developed in line with the mandatory requirements of the Public Sector Internal Audit Standards. 360 Assurance, an external service, has worked with us to ensure the plan was aligned to the risk environment. In accordance with the internal audit work plan, full scope audits of the adequacy and effectiveness of the control framework in place are either complete or under way. All audits with Limited Assurance are reported directly to the Audit and Assurance Committee and the lead director is asked to present the findings and confirm agreement of the actions and timescales. Audits with Significant Assurance are reported directly to the most appropriate Board committee; however, our Audit and Assurance Committee receives a report stating which reports have been reported to other committees. Outstanding recommendations from internal audit are reported to our Audit and Assurance Committee. This ensures all recommendations are sustainably implemented within the organisation. Where owners of recommendations have not completed the actions by the implementation date they are invited to Audit and Assurance Committee to report on progress.



## **External Audit Service**

We incurred £175k net of VAT in audit service fees in relation to the statutory audit of the accounts for the 12-month period to 31 March 2024 (£125k net of VAT for the period to 31 March 2023). Non-audit services amounted to £Nil net of VAT (£Nil net of VAT for the period to 31 March 2023) in respect of the Quality Report.

KMPG has not provided any non-audit services to the Trust during the year, and this is the first year of their re-appointment.

## **Remuneration and Nomination Committee**

As of 31 March 2023, and on-going, membership of the Remuneration and Nomination Committee comprises Graham Ward as Chair, Barbara Brady (a member throughout the reporting year and Vice Chair from September 2023), Manjeet Gill and Aly Rashid, all Non-Executive Directors. The attendance of Non-Executive Directors is detailed within the Remuneration Report.

The primary role of the Committee is to recommend to the Board the remuneration strategy and framework, giving due regard to the financial health of the organisation and to ensure the executives are fairly rewarded for their individual contributions to the organisation's overall performance. The Remuneration Report is set out in its own section of this report.

## **Remuneration and Nomination Committee of the Council of Governors**

The Council of Governors' Remuneration and Nominations Committee comprises Claire Ward as Chair and representatives from the public, staff, and appointed Governor classes. The role of this Committee is to ensure appropriate procedures are in place for the nomination, selection, training, and evaluation of Non-Executive Directors and for succession plans. The Committee is also responsible for setting the remuneration of Non-Executive Directors, including the Chair. It considers Board structure, size, and composition, thereby keeping under review the balance of membership and the required blend of skills, knowledge, and experience of the Board.

## **Compliance with the Code of Governance for NHS provider trusts**

The purpose of the Code of Governance (that replaced the former NHS foundation trust code of governance on 1<sup>st</sup> April 2023) is to set out a common overarching framework for the corporate governance of trusts, reflecting developments in UK corporate governance and the development of integrated care systems. Trusts must comply with each of the provisions of the Code or, where appropriate, explain in each case why the trust has departed from the code.

The Board of Directors is committed to high standards of corporate governance. Throughout the year ending 31 March 2024, the Board considers that it was compliant with the Code of Governance for NHS Provider Trusts with some exceptions.

In common with the health service and public sector, we are operating in a fast-changing and demanding external environment. We recognise the need to deliver significant increases in efficiency whilst maintaining high quality care at a time when budgets are tight, and demand is high. We will continue to build on the improvements made to date in responding to these challenges, working through our exceptional and dedicated members of #TeamSFH.

The roles and responsibilities of the Council of Governors are described in our Constitution, together with details of how any disagreements between the Board and Council of Governors would be resolved. The types of decisions taken by the Council of Governors and the Board, including those delegated to committees, are described in the approved Terms of Reference.

We have a detailed scheme of delegation which is regularly reviewed. This sets out, explicitly, those decisions reserved to the Board, those which may be determined by standing committees and those which are delegated to managers.

The Chair, the Chairs of all Board Committees and the Chief Executive are invited to attend all public meetings of the Council of Governors; other Executive Directors are invited to attend as appropriate to specific agenda items. Internal assurance visits (15 steps) for all Governors and Non-Executive Directors resumed during the year. These visits to clinical and non-clinical areas provide triangulation of assurance for the participants.

In an NHS Foundation Trust, the authority for appointing and dismissing the Chair rests with the Council of Governors. The appraisal of the Chair is therefore carried out for and on behalf of our Council of Governors by the senior independent director, supported by the lead Governor. Together they review the Chair's performance against agreed objectives and discuss any development needs before reporting the outcome of the appraisal to the Nomination and Remuneration Committee of the Council of Governors. This Committee in turn reports to the Council of Governors.

The directors of the Board are appraised by the Chief Executive who, in turn, is appraised by the Chair. The Council of Governors does not routinely consult external professional advisers to market test the remuneration levels of the Chair and other Non-Executive Directors. The recommendations made to the Council of Governors are based on independent advice and benchmarking as issued from time to time by NHS Providers.

## **NHS Oversight Framework**

NHS England's NHS Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4.) A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

- A) Objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)
- B) Additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

### **Segmentation**

The latest information published on the NHS England's website (15<sup>th</sup> May 2024) places Sherwood Forest Hospitals Foundation Trust in segmentation 2, and as at 4<sup>th</sup> March 2024 the Nottinghamshire Integrated Care System in segmentation 3.

The segmentation information is the Trust's position as of May 2024. Current segmentation information for NHS trusts and foundation trust is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>.

### **Foundation Trust License**

There are no additional conditions on our Foundation Trust Licence.

## **Statement of the Chief Executive's responsibilities as the Accounting Officer of Sherwood Forest Hospitals NHS Foundation Trust**

The NHS Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England has given Accounts Directions which require Sherwood Forest Hospitals NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Sherwood Forest Hospitals Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

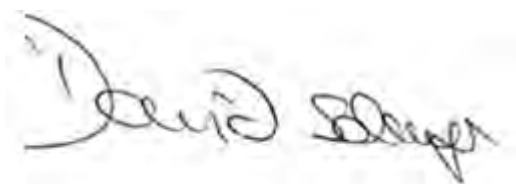
In preparing the accounts and overseeing the use of public funds the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- Observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities, and guidance
- Confirm that the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

A handwritten signature in black ink, appearing to read 'David Selwyn', is positioned above the printed name and title.

**David Selwyn**  
**Acting Chief Executive Officer**

**25th June 2024**

## Annual Governance Statement

### Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, while safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Sherwood Forest Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in Sherwood Forest Hospitals NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

### Regulation

The Care Quality Commission (CQC) undertook a full announced inspection of our Core Services during February 2020 including a well-led review and use of resources assessment; the final report was received in May 2020. We improved our overall rating of Good and King's Mill Hospital improved its rating to Outstanding.

	Safe	Effective	Caring	Responsive	Well Led	Overall
King's Mill Hospital	Good	Good	Outstanding	Good	Outstanding	Outstanding
Newark	Good	Good	Good	Good	Good	Good
MCH	Good	Good	Outstanding	Good	Good	Good
Overall	Good	Good	Outstanding	Good	Good	Good

An extract from the Final CQC report states:

*Our rating of the trust stayed the same. We rated it as good because:  
We rated safe, effective, responsive, and well-led as good and caring as outstanding for core services, the trusts well led was rated as good. We rated eight of the trust services as good and one, which was end of life care at Newark hospital as requires improvement overall.  
We rated well led for the trust as good overall.*

The Trust remains fully compliant with the registration requirements of the Care Quality Commission.

The Trust has regular engagement meetings, involving the Medical Director and Chief Nurse with the Trust CQC Relationship Manager and the regional CQC Inspection Manager. The meetings are held every six to eight weeks and include a discussion on a wide range of issues ranging from examples of good practice in addition to areas of concern.

To demonstrate on-going compliance the Trust undergoes inspections by the Care Quality Commission of all core service areas across the Trust providing further opportunity to ensure the Trust continues to meet the requirements of its registration.

### **Capacity to handle risk & prepare for emergencies**

Our Board of Directors provides leadership on the overall governance agenda. On the Board's behalf our Risk Committee has maintained and kept under review a policy for the management of risk. Our Board of Directors is supported by a range of Committees that scrutinise and review assurances on internal control; such Committees include the Resilience Assurance Committee (which is Chaired by the Trust's Accountable Emergency Officer), Audit & Assurance Committee, Finance Committee, Quality Committee, People Committee and Partnerships & Communities Committee. Our Risk Committee is an executive committee focussing on all high or significant risk exposures and oversees risk treatment to ensure: (a) the correct strategy is adopted for managing risk; (b) controls are present and effective; and (c) action plans are robust for those risks that remain intolerant. Our Risk Committee is chaired by our Chief Executive (CEO) and comprises the Executive Team and selected members of the Senior Leadership Team. Senior managers and specialist advisers routinely attend each meeting. We have kept under review and updated risk management policies during the year. The output of the Risk Committee's work is reported to our Board and the CEO also ensures the Risk Committee works closely with front line divisional teams and all Committees of the Board to anticipate, triangulate and prioritise risk, working collectively to continuously balance and enhance risk treatment.

Our Resilience Assurance Committee oversees the resilience against disruptive incidents and ensures there are plans in place to deal with emergencies. Its work is regularly reviewed by the Risk Committee.

The Trust also prepares an annual submission relating to its level of compliance with the sixty plus NHSE Core Standards for Emergency Preparedness. Its current rating is "Partial" compliance of 83% against the standards.

Training is provided to relevant colleagues on risk assessment, incident reporting and incident investigation. In addition, the Board has set out the minimum requirements for employee training required to control key risks as part of the requirements for essential training.

Incidents, complaints, claims, patient feedback and audit findings are routinely analysed to identify risks and single points of failure and learn from them. Lessons for learning are disseminated to colleagues using a variety of methods including customised briefings, bulletins, and personal feedback where necessary.

All significant risk exposures are reported to the Board of Directors and at each Risk Committee meeting. All new significant risks are subject to validation by the Risk Committee and are escalated to the Executive Team. The residual risk score determines the escalation of risk, and this is clearly established and embedded.

The Board of Directors regularly scans the horizon for emergent opportunities or threats and considers the nature and timing of the response required to ensure risk is always kept under prudent control.

### **The risk and control framework**

The risk management process is set out in six key steps as follows:

#### **1. Determine priorities**

The Board of Directors determines corporate objectives annually and these establish the priorities for Executive Directors and clinical services.

#### **2. Risk Identification**

Risk is identified in many ways. We identify risk proactively by assessing corporate objectives, work-related activities, analysing adverse event trends and outcomes, and anticipating external possibilities or scenarios that may require mitigation.

#### **3. Risk Assessment**

Risk assessment involves the analysis of individual risks, including any plausible risk aggregation (the combined effect of different risks) where relevant. The assessment evaluates the severity and likelihood of each risk and determines the priority based on the overall level of risk exposure.

#### **4. Risk Response (Risk Treatment)**

For each risk, controls are established, documented, and understood. Controls are implemented to *avoid risk*; *seek risk* (take opportunity); *modify risk*; *transfer risk* or *accept risk*. Gaps in control are subject to action plans which are implemented to reduce residual risk. The Board of Directors has considered its appetite for taking risk and expressed its appetite in the form of target risk ratings in the Board Assurance Framework.

#### **5. Risk Reporting**

Significant risks are reported at formal meetings of the Board of Directors and Risk Committee. In addition, in the event of a significant risk arising, arrangements are in place to escalate a risk to the Executive Team. The level at which risk must be escalated is clearly set out in the Risk Management and Assurance Policy. The Audit and Assurance Committee and Board of Directors lead the acquisition and review of assurances, in line with the Board Assurance Framework, to keep risk under prudent control. The Board of Directors has in place an up-to-date and continually reviewed Board Assurance Framework.



## 6. Risk Review

Those responsible for managing risk regularly review the output from local, community and national risk registers to ensure they remain valid, reflect changes and support decision-making. In addition, risk profiles for all Divisions remain subject to detailed scrutiny as part of a rolling programme by the Risk Committee. The purpose of the rolling programme of review is to track how the risk profile is changing over time; evaluate the progress of actions to treat risk; ensure controls are aligned to the risk; ensure risk is managed in accordance with the Board's appetite; check resources are reprioritised where necessary; and ensure risk is escalated appropriately.

Incident reporting and investigation is recognised as a vital component of risk and safety management and is critical to the success of a learning organisation. An electronic incident reporting system is operational throughout the organisation and is accessible to all colleagues. Incident reporting is promoted through induction and routine mandatory training programmes, regular communications, patient safety walk rounds or other visits and inspections that take place. In addition, arrangements are in place to raise any concerns at work confidentially and anonymously if necessary.

The most significant strategic risks facing the Trust are: (i) Significant deterioration in standards of safety and care (ii) Demand that overwhelms capacity to deliver care effectively (iii) A critical shortage of workforce capacity and capability; (iv) Failure to achieve the Trust's financial strategy. These risks are inter-related and incorporated into the Board Assurance Framework (BAF). Should one or more of these risks materialise, or any other risk captured in the BAF, it may trigger a compound effect upon the safety/quality of care and/or financial sustainability. Our Board of Directors has focused throughout the year on delivering sustainable improvements in the quality and safety of clinical services, and strengthening our ability to meet demand, supported by refreshed recruitment and retention strategies and prudent financial management.

Standards of safety and care are perpetual risks, as are financial sustainability, working closely with local health and care partners and the potential for major disruptive incidents. Capacity and demand for care, and workforce capacity are expected to remain for the foreseeable future, and strategic partnerships will further develop over the coming months and years.

A breakdown of the risks addressed in the BAF, and how those risks are being mitigated, is captured in table 1 below.

**Table 1: Clinical, Operational and Financial Sustainability Risks**

Potential Risk	How the risk might arise	How the risk is being mitigated	How are the outcomes assessed
Significant deterioration in standards of safety and care.	This may arise if safety-critical controls are not complied with, there are shortfalls in staffing to meet patient need,	Maintaining a strong emphasis and focus on safety, clinical outcomes and patient experience as part of the Trust's governance and performance management framework; striving for	Progress and outcomes are monitored through the Quality Committee, supported by the Patient Safety Committee and other sub-groups. This includes safety and quality indicators, incident

	demand exceeds capacity for a prolonged period, or there is a loss of organisational focus on safety and quality in the governance of Sherwood Forest Hospitals.	excellence and challenging unsatisfactory performance regarding organisational control; delivering training, complying with safety-critical organisation policies and procedures, and learning from adverse events are ways we are currently mitigating this risk.	investigations and key performance indicators.
Demand that overwhelms capacity.	This risk may arise if growth in demand for care exceeds planning assumptions and capacity in secondary care; primary care is unable to provide the service required or there is a significant failure of a neighbouring acute provider. The risk may also arise if there are unexpected surges in demand, such as those created by pandemic disease.	Managing patient flow, developing and maintaining effective working relationships with primary and social care teams, working collaboratively across the wider health system to reduce avoidable admissions to hospital are some of the risk treatment strategies that will feature in how we mitigate this risk going forward.	Progress and outcomes are monitored through the Quality Committee, supported by the Patient Safety Committee. This includes safety and quality indicators, incident investigations and key performance indicators.
A critical shortage of workforce capacity and capability.	Due to the number of clinical staff eligible for retirement, the availability of newly qualified practitioners, and increasing competition for the clinical workforce, we anticipate the staffing challenges continue to be significant.	The People Strategy is specifically designed to help mitigate this risk. By focussing on attracting and retaining high calibre practitioners, building and sustaining high-performing teams, by engaging and developing clinical teams, and adapting to meet the needs of a changing workforce, we aim to make Sherwood Forest Hospitals the employer of choice.	Progress and outcomes are monitored through the People Committee, supported by the People Cabinet. This includes vacancy levels, training and development progress.
Failure to achieve the Trust's financial strategy.	The delivery of high-quality care helps to mitigate financial risk by reducing avoidable expenditure, minimising harmful care that extends length of stay or requires additional treatment. This risk	Local and system-wide Financial Plans are specifically designed to address the financial challenge and deliver financial outturn in accordance with agreed control totals, gradually progressing towards break-even (no surplus or deficit at the year-end). To safeguard	Frequent assessment of performance and forecast trajectories is monitored through the Finance Committee.

	may arise if the trust is not able to secure sufficient funds to meet planned expenditure, maintain or replace vital assets, and/or is not able to reduce expenditure in line with system-wide control totals.	quality, proposals to reduce expenditure are subject to Quality Impact Assessment – overseen by the Medical Director and Chief Nurse.	
Inability to initiate and implement evidence-based improvement and innovation.	This risk may arise if there is a lack of support, capability and agility to optimise strategic and operational opportunities to improve patient care.	Maintaining a strong emphasis and focus on safety, clinical outcomes and patient experience as part of the Trust's improvement agenda; striving for excellence and challenging unsatisfactory performance regarding organisational development; delivering training, complying with safety-critical organisation policies and procedures, and learning from adverse events are ways we are currently mitigating this risk.	In addition to the Trust's Improvement Strategy, frequent correspondence and discussions with our partners and commissioners to ensure focus is maintained on quality and systems improvement, whilst maintaining compliance with regulatory requirements.
Working more closely with local health and care partners does not fully deliver the required benefits.	This risk, which is currently being mitigated, may arise where strategic partners are unable to balance competing demands and/or work collaboratively across the whole health and social care system.	Active participation and engagement with all ICS stakeholders to ensure effective planning, implementation and governance at a system level.  We continue to play a leading role in the Integrated Care System.	Frequent review of progress through ICS and Place Based Partnership engagement to monitor the effectiveness of system planning and project implementation.
A major disruptive incident.	This risk, which is currently being mitigated, may arise where there is an expected or unexpected event which could lead to rapid operational instability and put safety and quality at risk. Such events include fire, cyber security and prolonged loss of utility (water, gas, electricity supplies).	This risk is mitigated through planned preventative maintenance, proactive inspection, regular testing of business continuity arrangements and horizon scanning.	This is monitored through the Risk Committee, supported by various sub-groups. Includes reporting of emerging risks and events to ensure effective management and mitigation.

Failure to deliver sustainable reductions in the Trust's impact on climate change.	This risk may arise if the Trust's vision to further embed sustainability, through actions outlined in our Green Plan, are not achieved.	This risk is mitigated through management of the action plan, engagement and awareness campaigns (internal/external stakeholders) and Environmental Sustainability Impact Assessments built into project implementation processes.	This is monitored through the Risk Committee, supported by various sub-groups. It includes reporting of progress and emerging risks to ensure effective management.
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It is not envisaged these risks will change over the coming year. The Internal Audit Plan and Counter Fraud Plan are approved by Board members and are aligned, where appropriate, with the principal risks in the BAF. The Audit and Assurance Committee uses the reports of management and internal audit to provide assurance to the Board as to the effectiveness of the BAF as a component of the internal control framework.

### **Clinical Audit 2023/24**

At the beginning of the 2023/2024 financial year we set out the following priorities:

- Strengthen both the assurance and visibility of clinical audit within the organisation via the Improvement in Clinical Audit Group, Advancing Quality Programme and by learning from, and sharing activities on key Trust-wide themes.
- To further connect audit to the continuous improvement and learning cycle. This will focus on process outcomes by aligning clinical audit at a Divisional Governance level. This will help to pull forward learning and good practice across the organisation. The team has attended over 50% of the trust's specialty governance meetings.
- To further align Clinical Audit and Improvement with key organisational strategies. The vision for Continuous Improvement at SFH is driven by the Quality Strategy, which is a key enabler to achieving both clinical effectiveness and efficiency. In May 2023 the Trust created an Improvement Faculty. Clinical Audit is a key component of the Improvement Faculty which has allowed Audit to become a key tool to identify areas that need improvement support, helping to drive forward the continuous improvement of care at Sherwood.

There is still work to do in relation to the above areas and the focus around these is detailed in the plan for the forthcoming financial year.

### **National clinical audits 2023/24**

During 2023/24, Sherwood Forest Hospitals NHS Foundation Trust participated in 56 national clinical audits and 4 National Confidential Enquiries into Patient Outcomes and Death (NCEPOD).

Total Number of audits in the 2023/24 plan = 331

Number of local / other audits = 268

Number of national audits, including NCEPOD = 60

Number of audits fully completed = 103

Some of the key learning from National Audit during 2023/24 is as follows:

### **National Emergency Laparotomy Audit (NELA)**

The Eighth Patient Report of the National Emergency Laparotomy Audit has shown a number of improvements in patient care. Patients who have a risk factor documented preoperatively has increased from 92.3% in Year 7 to 96.2% in year 8 and compares favourably against the national average of 86.8%. There has also been an increase in the number of patients arriving in theatre in a time appropriate to the urgency of their case. This has risen from 67.2% in Year 7 to 81.2 for year 8 and is 10% higher than the national average.

### **National Neonatal audit Programme (NNAP)**

The recent published report shows that the proportion of babies born at less than 32 weeks gestation who had a first temperature on admission which was both between 36.5°C to 37.5°C and measured within an hour of birth has risen from 46.7% to 80%. This is also higher than the national average.

### **National Audit of Dementia**

This is the fifth round of the national audit, which has changed its perspective from the previous round in 2019 to look at data prospectively to give more timely information for NHS bodies. In terms of National compared to local audit results, patients with suspected or diagnosed dementia had a delirium screening performed 87% of the time nationally, compared to a local rate of 95%, as well as both a pain assessment and a pain reassessment being performed 92% nationally, with a rate of 100% locally. In terms of national dementia admissions, the Trust greatly exceeds the national median admissions of patients in the period, as well as having a greater than average percentage of patients admitted to the hospital with dementia.

### **Looking forward to 2024/25 we aim to:**

- Continue to strengthen the link between Audit and Improvement to deliver the 'So What' of Clinical Audit.
- Reduce the number of 'single cycle' audits being undertaken and promote the importance of the audit cycle being completed in order to deliver improvement in outcomes.
- Ensure that we are appraising the outcomes taken from National Clinical Audit and using these to drive the local audit agenda.

Assess the value of Trust wide audits being undertaken in order to ensure the program is delivering against priorities and delivering.

### **Workforce and supporting strategies**

Our People Strategy for 2022-2025 and supporting Strategic People Plan 2022-2027 are linked to the national NHS People Plan and associated People Promise. Both the People Strategy and Strategic People Plan were introduced in Spring/Summer 2022 and are

underpinned by an annual implementation plan, with progress regularly reported to our Board and associated Committees. A key part of the implementation plan has been to respond to the challenges faced during the global pandemic of Covid-19 and the recovery of our workforce to 'business as usual' over the course of financial years' 2022/2023 and 2023/2024.

Despite the unprecedented challenges and significantly increased demand for our services over the last few years, we are proud to say that 74% of our colleagues voted Sherwood as a great place to work (according to our 2023 Staff Survey, ranking 1st in Midlands and 2nd in the country, which is an increase of 1 place since 2022)

We will continue to use this message as a positive recruitment tactic to support workforce growth and our People Strategy ambitions of 'Growing for the future' and 'New ways of working and delivering care'.

Our Strategic People Plan is supported by HR and Finance teams to ensure workforce capacity is both affordable and sufficient to deliver on projected activity levels, in the short, medium and longer term. This bottom-up approach to ensuring we have safe and adequate staffing levels is supported by our executive-led People Cabinet.

Regular, staffing establishment reviews are also carried out and we have invested in E-Rostering, E-Job Planning and Clinical Activity Manager system. These all help better align our staffing to our activity and acuity levels. In 2023/2024 there has been a high level of focus to reduce agency usage and support staffing and financial efficiencies as a Trust.

We have shifted focus from recovery and restoration following the Covid-19 pandemic – our People Strategy and Strategic People Plans were updated in 2023/2024 with a focus on growth, development and improvement.

Our People Strategy 2022-2025 vision statement is now aligned to Strategic Objective 2 (SO2) of the new Trust Strategy 2024-2029: Improving Lives which was launched in March 2024.

Vision of the People Strategy: Empower and support our people to be the best they can be

We have continued to embed and deliver actions against our People Strategy delivery pillars which deliberately anchor back to the NHS People Plan.

People Strategy – Our delivery pillars:

1. Looking after our people
2. Belonging in the NHS
3. Growing for the future
4. New ways of working and delivering care

Strategic People Plan:

1. Growth and supply
2. Career Development
3. Workforce efficiency
4. Health and wellbeing

Positive stories and key achievements which have been shared and identified via People Committee throughout 2023/2024 include:

- Sherwood being voted 'Best Trust in the Midlands' for the 6<sup>th</sup> year running according to National Staff Survey 2023 results.
- NHS Employers case study showcasing results from the work completed under our Wellbeing portfolio and Rest, Rehydrate and Refuel agenda at Sherwood: [Link to Case Study](#)
- Won ROSPA Gold Award in recognition of our Health & Safety service.
- 5 entries submitted for HSJ National and HPMA Excellence Awards, recognising programmes of work including Just Culture, Financial Wellbeing and People Transformation (Newark TIF & Mansfield CDC)
- Significant assurance provided via the 360 Assurance report on Wellbeing.
- A successful and well attended Menopause Conference on World Menopause Day 2023.
- Continued to promote Just Culture learnings within the Trust, including Council of Governors in November 2023.
- Wellbeing fundamentals audit completed in 90% of areas. Free tea & coffee provision secured up to and including Quarter 4 of 2023.
- Development of Wellbeing Improvement Plan aligned to NHS England Wellbeing Framework.
- Long service awards reintroduced in Summer 2023 following pause during COVID-19 pandemic.
- Launched new Appraisal and 121 paperwork in September 2023 for all Managers and employees on Agenda for Change contracts, giving less paperwork to complete and an easy-to-use template.
- Continued to embed Step into the NHS careers fairs throughout 2023/2024 to support organisational recruitment needs.
- Supported the launch of Newark TIF (Targeted Investment Funding) and Mansfield CDC (Community Diagnostics Centre) site development projects.
- Continued to lead in key system meetings, representing Sherwood in groups such as the ICS People Collaborative and the ICS Organisational Development and Improvement Community of Practice.

### **Assurance of legal obligations:**

Assurance is provided regarding the Trust's Equality, Diversity and Inclusion (EDI) agenda at People Committee, ensuring legislation is complied with.

The Trust ensures staff entitled to membership of NHS Pension Scheme are offered the scheme and measures are in place to ensure Scheme regulations are complied with regarding relevant deductions and contributions. The Trust also ensures that in accordance with Scheme rules records are accurately kept and updated in accordance with Regulation timescales.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are

complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

NHS England's Workforce Safeguards (2018) were adopted in 21/22 and continue to be reported to the People Committee. These standards ensure our staffing governance processes are informed, safe and sustainable, these includes:

- Embedding the National Quality Board standards
- Ensuring safe staffing processes include evidence-based tools, professional judgement and outcomes
- Receiving assurance from the Chief Nurse and the Medical Director that they are satisfied with the outcome of any assessment that staffing is safe, effective and sustainable

### **Principal Risk 3: Workforce capacity and capability**

The People Committee monitors the Board Assurance Framework (BAF) workforce risks at a strategic level. Principal risk 3: Workforce capacity and capability is presented as part of the BAF to People Committee. The strategic threats posed by this risk are;

- Inability to attract and retain staff
- A significant loss of workforce productivity arising from short-term reduction in staff availability or a reduction in effort above and beyond contractual requirements

Key risks concerning workforce capacity and capability were regularly reviewed by the People Committee during 2023/2024. They will continue to be reported in 2024/2025 as part of the Board Assurance Framework.

Over the last 12 months the action plans delivered as part of our People Strategy have supported mitigation of these risks, for example; enhancing our Step into the NHS careers fairs, continued focus on reward and recognition, wellbeing support and staff networks. We are excited that the Trust has recently become a People Promises Exemplar organisation, sponsored by NHS England. This funding will allow us to support developments to improve staff experience and retention at Sherwood over the next 12 months.

Beneath our strategic risks are operational risks specific to the running of services within the People Directorate. All operational risks are logged on DATIX with appropriate action plans and any risks mitigation plans in place. At the time of this report, 20 operational risks are logged on the DATX Risk Register for the People Directorate.

A robust governance process was put into place in Summer 2023 whereby the Deputy Director of People and the Business Support Officer meet with senior People service leads on a bi-monthly basis to keep track of operational risks and progress mitigation plans.

Any operational risks scored as 'high risk' will be identified on the annual People Department Risk Report that will be presented at Risk Committee.



## **People priorities 2024/2025**

We will continue to ensure our People Strategy and Strategic People Plan are effective, updated annually and signed off by the Board of Directors. The below priorities are highlighted within our People Strategy.

### **Looking after our people**

Governance is provided on these actions through the Trust's People Wellbeing and Belonging Sub-Cabinet.

Our vision - What does this mean in practice?

- Our people are healthy and psychologically safe, allowing them to deliver safe, high-quality care.

Our priorities - How will we deliver this?

- We will follow a person-centred approach, supporting our people based on their individual needs. We acknowledge there is an overlap professionally and personally and will support our people to take appropriate time to rest, rehydrate and refuel. We will provide the practical and emotional support our people need to do their jobs.

### **Belonging in the NHS**

Governance is provided on these actions through the Trust's People Wellbeing and Belonging Sub-Cabinet.

Our vision - What does this mean in practice?

- We have an embedded culture of kindness, civility and respect at SFH, where our CARE values are disseminated. Our people feel a sense of belonging and have a voice through Freedom to Speak Up, Staff Networks, National Staff Survey plus Quarterly Pulse Surveys.

Our priorities - How will we deliver this?

- We will create an inclusive culture and take action to reduce our people's experience of violence, bullying and discrimination. We will recognise and reward our people through key celebration events.

### **Growing for the future**

Governance is provided on these actions through the Trust's People Resourcing and Development Sub-Cabinet.

Our vision - What does this mean in practice?

- We are the employer of choice in the local area, with recruitment, development and promotion practices that are inclusive, fair and equitable. We attract and retain talent.

Our priorities - How will we deliver this?

- We will support the Trusts' workforce needs by continuing to recruit locally and through targeted international recruitment plans. We will develop our workforce by expanding our Step into the NHS programme and investing in our people. We

will utilise internal and external education opportunities to develop our people including growth of apprenticeships, aligned to the NHS Long Term Workforce Plan.

### **New ways of working and delivering care**

Governance is provided on these actions through the Trust's People Transformation sub-cabinet.

Our vision - What does this mean in practice?

- We are leaders in transformation, innovation and partnership working within the Sherwood and the Nottinghamshire system.

Our priorities - How will we deliver this?

- We will empower our people to work flexibly and in different ways, working more digitally and efficiently. We will design multi-professional teams based on recruitment needs highlighted in Trust-wide strategic workforce plans. We will actively seek ways to reduce agency usage to demonstrate productive services.

As 2024/2025 is the 3<sup>rd</sup> and final year of our current People Strategy we are keen to start developing our priorities for our next People Strategy. To ensure our priorities are meaningful we will engage with colleagues around the organisation to get their feedback throughout development. We will align the end date of our next People Strategy to the same end date of the new Trust Strategy, therefore our new People Strategy will be a 4-year strategy covering financial years' 2025-2029. Engagement will commence in July 2024 to understand. Engagement is due to commence in July 2024 and our People Strategy for 2025-2029 will launch in April 2025.

### **Compliance with NHS Foundation Trust Condition 4 (Foundation Trust governance)**

The annual self-certification provides assurance that NHS providers are compliant with the conditions of their NHS provider licence. Compliance with the licence is routinely monitored through the Oversight Framework, on an annual basis. The licence requires providers to self-certify they have:

- a) Complied with governance arrangement (condition FT4)

Our self-certification was approved by the Board in May 2023. The self-certification process requires a response to the following five questions:

1. The Board is satisfied that the Licensee applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.
2. The Board has regard to such guidance on good corporate governance as may be issued by NHS England from time to time .
3. The Board is satisfied that the Licensee has established and implements:
  - (a) Effective board and committee structures

- (b) Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees
- (c) Clear reporting lines and accountabilities throughout its organisation.

4. The Board is satisfied that the Licensee has established and effectively implements systems and/or processes:

- a. To ensure compliance with the Licensee's duty to operate efficiently, economically, and effectively
- b. For timely and effective scrutiny and oversight by the Board of the Licensee's operations
- c. To ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board, and statutory regulators of health care professions
- d. For effective financial decision-making, management, and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern)
- e. To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making
- f. To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence
- g. To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery
- h. To ensure compliance with all applicable legal requirements

5. The Board is satisfied that there are systems and /or processes referred to in paragraph 4 (above) that should include but not be restricted to systems and processes to ensure:

- a. That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided
- b. That the Board's planning and decision-making processes take timely and appropriate account of quality-of-care considerations
- c. The collection of accurate, comprehensive, timely and up to date information on quality of care
- d. That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care
- e. That the Licensee, including its Board, actively engages on quality of care with patients, staff and other relevant stakeholders
- f. That there is clear accountability for quality of care throughout the Licensee including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.

6. The Board is satisfied that there are systems to ensure that the Licensee has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.

The Board considered the risks to each element of the self-certification and confirmed evidence of compliance with condition 4; the key elements are noted below.

Our governance committee structure has provided our Board of Directors with assurance during the year regarding quality, including compliance with the CQC standards and finance, particularly regarding specific issues raised by NHSE.

During the year, our Board has received assurance regarding the performance through the Single Oversight Framework Integrated Performance Report and supporting exception reports for indicators rated as red on the performance dashboard, bringing together performance metrics and information relating to workforce, quality priorities, staffing and finance.

Reports to Board from the Board committees provide further assurance to the Board on the effectiveness of risk management and internal control, including the reporting of incidents through either Quality Committee for clinical incidents and Audit and Assurance Committee for Information Governance incidents. Reports from internal and external audit are reported to Board through the committee structure with any escalations being highlighted in the committee chair's report to Board.

During 2023/2024 SFHFT was registered to provide healthcare on the following hospital sites – King's Mill Hospital, Newark Hospital, Mansfield Community Hospital, Sherwood Community Unit and Ashfield Health Village.

The Chief Executive, Medical Director, Chief Nurse, and the Director of Nursing Quality & Governance facilitate a regular engagement meeting every six weeks with our CQC Relationship Manager and the Lead Inspector. This meeting provides an opportunity for us to demonstrate on-going improvements in care but also an opportunity for CQC colleagues to gain assurance that timely and appropriate actions are in place to address issues raised through incident reporting, complaints, and patient experience feedback. Since July 2017 CQC colleagues have visited a specialty area during the engagement meeting to enable them to meet SFH colleagues and further understand about the care we provide to our patients. These visits have been received very positively by both parties and have provided additional assurance that we understand where we provide excellent care and where there is further work to do.

We are fully compliant with the registration requirements of the Care Quality Commission.

We have published on our website an up-to-date register of interests, including gifts and hospitality, for decision-making colleagues (band 7 and above) within the past 12 months, as required by the Managing Conflicts of Interest in the NHS guidance.

As an employer with employees entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The foundation trust has undertaken risk assessments and has plans in place which take account of the Delivering a Net Zero Health Service report under the Greener NHS programme. We ensure our obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **Review of economy, efficiency, and effectiveness of the use of resources**

Our Board of Directors performs an integral role in maintaining the system of internal control, supported by the Board Committees and internal and external audit.

The internal audit plan is agreed by the Audit and Assurance Committee and is focused on key risk areas, identified through our Board Assurance Framework and via escalation processes from other board committees. Follow up audits are also included in the plan to ensure that actions are implemented, and improvements sustained.

The Board receives regular updates and assurance on the economic, efficient and effective use of resources, including:

Finance Committee - the Finance Committee receives detailed financial operating and outturn information, including historical and forecast pay and non-pay spending analysis, monitoring of the underlying financial position and assurance about financial control. A regular update on the financial position of the ICS is presented to the Finance Committee. The Finance Committee is supported by two key financial groups:

- Finance Resource Oversight Group meets monthly with a quarterly deep dive into each of the three key areas of Finance; Financial Services (Financial Risk, Cash, Capital, Accounts Receivable, Accounts Payable, Payroll and Charity), Financial Management (Divisional Financial Performance and Trust wide forecast outturn reporting) and Financial Business Intelligence (Costing, Income & Contracts, Systems and Financial Strategy).
- Capital Resources Oversight Group meets monthly to provide governance to the delivery of the Trusts capital programme; capital leads present on the progress against achieving the objectives of the annual capital plan and prioritisation of capital resources are agreed.

Risk Committee - this Committee receives assurance regarding the risks on the Board Assurance Framework, with divisional risks reviewed on a cyclical basis. The risks reviewed include those relating to workforce recruitment and retention, organisational sustainability and financial performance.

Trust Board - the Board receives assurance from its committees mentioned above. The main element of performance reporting is the Single Oversight Framework (SOF) which provides the Trust Board with key operational performance indicators on a monthly basis. For each of these indicator's standards and thresholds are agreed up front to help drive when indicators are flagged for specific follow up. The SOF highlights performance in different domains in line with the Trust's strategy and draws out key areas for improvement within each domain.

Improvement Cabinet - the Cabinet leads on the delivery of longer-term strategic change on behalf of the Trust Board with a nominated executive lead supporting the programme leads.

The cabinet meets monthly to review progress to deliver transformational change that will improve services for the local population and deliver financial efficiencies.

People and Inclusion Cabinet - the People and Inclusion Cabinet provides scrutiny and assurance of the development, delivery and impact of the Trust's People and Inclusion strategy and plan. This includes the review of associated BAF risks, to provide assurance that those risks are being effectively mitigated or managed in a controlled way, and to provide assurance that suitable structures, systems and processes are in place and functioning to support colleagues to deliver high-quality patient care.

PFI contract management is overseen by a contract management team, who ensure the outputs in the PFI specifications are met. Due to the contribution of the scheme to the wider underlying deficit the Trust has engaged with PFI specialists to review the nature of the contract. A monthly report is taken to Trust Board to update on PFI-related issues.

Throughout the financial year 2023/24, income and expenditure has been received on an actuals basis and changes to run rate are reviewed and explained as part of the monthly reporting process.

We have ended the year with a deficit of £13.97m after adjusting for asset impairments and other non-control total items. This value is aligned with the forecast outturn agreed between the Nottinghamshire ICS and NHSE for the financial year 2023/24. Details relating to this position are included elsewhere in this report. Although the financial outturn is consistent with the agreed position, we remain in a financially challenged position with a significant underlying deficit.

During 2023/24 the Trust has accessed additional interim revenue support of £11.00m and, capital of £22.68m which was agreed with NHSE and drawn down in the form of Public Dividend Capital. Our forecast cash position remains challenged due to timing of cash receipts and the significant efficiency programme built in to the 2024/25 plan, which is weighted for cash delivery saving in q3 and q4. As a consequence, the Trust is forecasting the need for revenue support in 2024/25. The cash forecast is monitored and reported to the Finance Committee and Board.

The Trust continues to work on its planned reduction in agency expenditure but incurred costs of £16.58m in 2023/24 against a plan of £13.01m. There is a target reduction for 2024/25 with a planned spend of £13.72m. The Trust has also relied upon the use of bank employees which has in part mitigated the need and cost of agency expenditure, however, remains committed to reductions in all variable pay including bank workers in line with NHSE targets.

The Trusts overall Efficiency Plan consists of four primary parts:

- The Financial Improvement Programme (FIP) is led by the Divisional Triumvirates supported by the Improvement Faculty. For 2023/24 we achieved £22.45m FIP against a plan of £25.85m.
- Vacancy Control Process is executive led controls for approval of recruitment to posts within the Trust plus non-recurrent underspends on pay. For 2023/24 this delivered £10.66m against a plan of £9m.

- Elective Recovery Fund (ERF) aims to reduce backlogs for elective care whilst attracting financial incentive which exceeds the cost of delivery. For 2023/24 this contributed a stretch achievement above base activity plan of £2.5m benefit (Income less cost to deliver).
- Other Income stretch targets aim to look to seek additional funding opportunities which have supported £1.54m against a plan of £1.6m in 2023/24.

The Trust uses benchmarking information from the Model Hospital and other sources including the Trusts Patient Level Information and Costing System (PLICS) to help to identify efficiency opportunities. Overall, the Trust achieved £37.1m efficiencies in 2023/24 and is in the process of development of the efficiency plan for 2024/25 which amounts to a total of £38.5m across all 4 efficiency areas.

The Nottinghamshire ICS has strengthened governance arrangements over the past year, which has supported closer system working and encouraged a greater level of transparency and consistency between organisations. The ICS Transformation Cabinet and ICS Finance Committee facilitate the sustainable recovery and transformation of services.

The underlying deficit indicate that there is uncertainty which may cast doubt about the Trust's ability to continue as a Going Concern, however, the assurance provided by the immediate continuing provision of healthcare services and improved access to funding through changes in the NHS financing regime significantly mitigates this and under the existing guidance as issued by the Financial Reporting Council, Practice Note 10, the accounts have been prepared on a going concern basis.

The Board of Directors has taken steps to ensure that this remains the case for the next 12 months.

A detailed going concern paper was reviewed and approved by the Audit and Assurance Committee in support of this assessment and is subject to an external audit review as part of the annual accounts process.

## **Information Governance**

Information Governance (IG) is the responsibility of both the Director of Corporate Affairs, who is also our Senior Information Risk Owner (SIRO) and the Medical Director who is our Caldicott Guardian. The SIRO is supported by a network of information asset owners, who ensure the integrity of, and monitor access to, the systems for which they are responsible. The Director of Corporate Affairs as SIRO and the Caldicott Guardian share the chair of the IG Committee. A working group also operates as part of the IG governance structure. The reporting and management of risks relating to data and security are safeguarded by ensuring all our employees are reminded of their data security responsibilities through education, at induction and through mandatory training requirements. More than 4,000 colleagues received mandatory IG training in 2023/24, and regular reminders are shared via internal communications. Near misses and lessons learned are used to inform the training programme, ensuring the programme remains dynamic and reflects current and meaningful issues to facilitate greater employee engagement and ownership of IG processes.

Work continues to raise the profile of IG using a variety of mediums to ensure incidents and lessons learned are brought to the attention of all employees.

Reports are shared at appropriate divisional and corporate meetings and colleagues are notified about updates to policies and guidelines via the Trust Bulletin as soon as they are published on the intranet.

## **Risk Management and Assurance**

As part of ensuring continued compliance with the IG agenda, we review the Terms of Reference for the IG Committee on an annual basis. The group has a strategic focus to ensure effective policies, processes and management arrangements are in place covering all aspects of information governance, including:

- Information security
- Data quality
- Digital continuity
- Records management
- Information disclosure
- Information sharing
- Legal and regulatory compliance.

This strategically focused group meets on a bi-monthly basis and is supported by the IG Working Group, which reviews Data Impact Assessments, as part of the wider stakeholder engagement. This is to assess the level of risk and consider both the likelihood and the severity of any impact on individuals' rights and freedoms. The group also reviews national guidance to inform both strategy and policy development together with implementation plans and processes.

The IG Committee monitors the completion of the Data Security and Protection Toolkit (DSPT) submission, data flow mapping, and information asset registers. We submitted a DSPT as standards met.

The SIRO and Caldicott Guardian received formal training on their statutory responsibilities during 2023/24 to refresh skills and awareness of legislative changes.

## **Data Flow Mapping**

Data from and to SFH is mapped and reviewed on an annual basis. The data flow mapping template has been updated in line with GDPR legal basis Article 6 and Article 9, which now includes categories of data subject / personal data, categories of recipients, information transferred overseas, whether data is retained or disposed of in line with policies, if not why, and whether there is a data sharing agreement in place.

The SIRO is responsible for the development and implementation of the organisation's Information Risk agenda. During 2023/24 we have undertaken an annual review of information flow mapping to ensure we are assured information flows into and out of the organisation are identified, risk assessed and addressed. This is then expanded to ensure we have assurance all information is stored securely and appropriately and any partners in



delivery of either shared care or information storage achieve the same high levels of information governance assurance.

### **Serious Incidents Requiring Investigation (SIRI)**

As part of the Annual Governance Statement, we are required to report on any Serious Incidents (SIRIs) or Cyber Incidents which are notified on the DSPT reported through to either the Information Commissioners Office (ICO) or NHS Digital.

There have been three incidents reported to the ICO. We have had no further action from the regulators after investigation. Incidents varied from data not being stored correctly to inappropriate sharing of information.

### **Information Sharing**

The IG department is actively involved in developing meaningful partnership working with neighbouring healthcare providers. The intention being to ensure the sharing of patient data is protected in line with national guidance in a seamless, robust, and effective way across partner organisations.

### **Freedom of Information (FOI)**

During 2023/24 the Trust processed a total of 863 FOI requests. This function is managed by the Information Governance Team and the activity is demonstrated in the table below.

Total	Breached timeframe of 20 days	Escalated to ICO
863	446	1

The breaches in the 20-working day statutory response timeframe are due to complex requests that require input from multiple teams. The high volume of FOIs consistently being received within the department along with the Impact of operational pressures and industrial action has also affected compliance rates; several of the FOIs are assigned to departments who are inundated with work within these areas, such as the finance team and information services.

Of the requests, 743 are completed, six are on hold waiting further information, fifteen closed due to clarification not received from the requester and 99 are still in progress. Of the requests completed 417 have been completed within 20 days which show a compliance rate of 48% (417/863).

### **Subject Access Requests (SARs)**

The Trust has received 3725 requests for access to patient records. Cases are processed in line with national guidance which is exemplary given some of these cases represent hundreds of pages of information and require methodical attention to detail to ensure information is released appropriately.

There have been no complaints to the Information Commissioner. Any requests for review of content of records by patients have been handled locally and achieved satisfactory resolutions for patients.

The Trust has also received 41 requests for access to staff employment records.

The table below shows the requests processed by the Access to Health Record Team in 2023/24:

<b>April 2023 to March 2024</b>		<b>Completed within 21 days</b>	<b>Completed 21-30 days</b>	<b>Completed more than 30 days</b>
Patient records	3684	3188	493	3
Staff employment records	41	25	4	12

## Horizon Scanning

It is impossible to eliminate human error in relation to data security, however a greater focus will be placed on understanding and improving working practices for those who come into contact with data.

Phishing emails are still prevalent in the working environment; and these are becoming more sophisticated attacks. The Trust will use the learning as part of its on-going awareness programme for staff.

Data Protection legislation is currently under review, and we will see a greater focus on ethics and human rights as individuals feel more confident in withdrawing consent for their data to be processed.

## Data Quality and Governance

### SOP – Quality Assurance and sign off process

In accordance with the NHS Standard Contract, the Trust is required to participate in a range of national audits and clinical outcome reviews. In addition, the Trust is required to make routine information submissions to NHS Digital, NHSE, Unify and the Integrated Care Board. These submissions are quality assured and signed off before submission for the following reasons:

- **Quality assurance of data pre-submission** – to ensure the data has integrity and can be used in confidence to inform decision making and service development.
- **Sign off data pre-submission** – to ensure that data are a true and accurate reflection of the Trust's position.

A comprehensive list of routine external submissions, together with the relevant operational and Executive Director leads is maintained. Quality assurance of National Audits is provided by clinical lead and head of service before signing off by the Clinical Chair and Executive Medical Director. Information requirements for example elective waiting time data is quality assured pre submission by the Divisional General Manager before signing off by the relevant Executive Director.

The relevant Executive Director may delegate responsibility for frequent, routine submissions, such as the daily situation report, but the Executive Director will remain the accountable officer for the submission.

The Trust assures the quality and accuracy of its Audit and Information requirements (for example elective waiting time data), and mitigates risks to the quality and accuracy of this data through the quality assurance and sign off procedure above and the work of the Data Quality Team which covers the following areas:

- **Validation** – in response to known areas of data quality concern (as identified through reporting or operational processes), we will:
  - Actively validate data sets to ensure decision making is based on accurate information.
  - Ensure operational/clinical teams are informed to enable necessary action to be taken in cases where patient care is affected.
- **Addressing errors** – where data errors are identified, in addition to informing operational/clinical teams to enable the patient impact to be understood and addressed, we will:
  - Identify the root cause.
  - Correct the information, as necessary.
  - Ensure feedback is provided to the originator of the root cause (for example user, system provider, etc.)
  - Ensure action is taken to reduce or prevent repetition of the issue.
- **Reporting** – use of key performance indicators (KPIs) to:
  - Monitor levels of data quality
  - Identify improvements or deterioration in data quality.
  - Identify areas for validation, corrections, training, process improvements or ad hoc audits.
- **Auditing** – delivery of an audit programme to:
  - Systematically check for data quality issues across the Trust, through sampling of records and providing appropriate feedback
  - Allow for ad hoc audits in response to suspected Data Quality weaknesses.
- **Training** – delivery of Data Quality training for relevant members of staff. In addition, we provide targeted training in response to themes or repeated errors, as identified through:
  - Audit
  - Reporting
  - Operational issues
- **Process improvements** – where necessary, we systematically change operational processes to maximise data quality. Any such process changes are:
  - Clinically and operationally owned, designed and supported.
  - Underpinned by procedural documents.
  - Not be to the detriment of patient care.
  - Reviewed once implemented.

## **Freedom to Speak Up**

During the year 23/24, 151 cases were raised to the FTSU Guardian compared with 153 cases raised the previous year, demonstrating consistent engagement with the FTSUG.

Supporting the FTSUG, and creating visibility across SFH, there are now 29 trained FTSU Champions.

### **Top themes raised were:**

1. Worker safety and wellbeing - which includes the emotional impact of people related processes, mental health impacts of working in pressurised teams and impact on emotional wellbeing from behaviours outside the SFH Care Values
2. Leadership styles and behaviours – this includes failure to respond to concerns or manage teams effectively.
3. Inappropriate attitudes and behaviour including bullying – poor leadership styles and behaviour, engrained poor behaviour in teams.

Organisational learning from the themes is fed through the People Committee and its subgroups, regular and direct communication with the Executive Team and the FTSU Guardian involvement in Training & Development Programmes.

Feedback is requested from all those who raise concerns. Feedback received on the process is positive and colleagues say they value the service.

Results from the 2023 National Staff Survey, show SFH is above the national average in domains related to confidence in speaking up and the organisation responding to the concerns.

## **Quality**

A review of our performance from 1 April 2023 to 31 March 2024 indicates there are appropriate controls in place. These controls include:

- Corporate level leadership for the quality account is assigned to the Chief Nurse
- Quality governance, quality and performance reports are included in our performance management framework
- Internal audits of some of our indicators have tested how the indicators included in the Quality Report are derived, from source to reporting, including validation checks
- Key individuals involved in producing the report are recruited on the basis that they have the appropriate skills and knowledge to deliver their responsibilities

We have engaged with a wide range of stakeholders in our activity to improve the quality of care provided. The same assurance processes are used for other aspects of performance.

## **Ockenden Report**

On 30 March 2023 NHS England published a three-year delivery plan for maternity and neonatal services. Following several national plans and reports, including the reports by Donna Ockenden and Dr Bill Kirkup, the plan brings together the key objectives that services are asked to deliver against over the next three years.

This new delivery plan in consultation with service users, healthcare staff, trust leaders and other stakeholders, as well as with the Independent Working Group on maternity chaired by the Royal College of Midwives and the Royal College of Obstetricians and Gynaecologists (RCOG). This consultation has supported NHS England to triage and review the actions remaining from the Ockenden and Kirkup reports as well as existing NHS England plans for maternity.

The report sets out the 12 priority actions for trusts and systems for the next three years, across four themes:

- Listening to women and families with compassion
- Supporting the workforce
- Developing and sustaining a culture of safety
- Meeting and improving standards and structures.

Acknowledging that organisations are already, due to the previous immediate and essential actions from the Ockenden report delivering priority actions within the plan, NHS England have supported systems to develop systems plan. Now into year one of the plan the local priority focus as a system are:

**1.Embedding the voice of women, birthing people and families** – and ensuring key learning from service users is the main driver in transforming our maternity and neonatal services. This includes but is not limited to development of the Maternity Voices Partnership (MVP) and Nausea and Vomiting in Pregnancy (NVP)

**2. Equity as the lens through which we view all areas of the Local Maternity and Neonatal System (LMNS)**– ensuring equity across our services and local population, with a focus on experience as well as outcomes, looking at localized data for Nottingham and Nottinghamshire.

As a Trust, we are proud of what we have achieved and how we are performing but we are never complacent. We have worked hard to ensure our maternity and neonatal services deliver good and safe care and are looking at the whole report. This is reflected in the feedback we receive from families and our safe outcomes as a service. We recently received the results of a CQC Maternity Survey carried out among women that gave birth at Sherwood Forest and continued to score very well, particularly in areas such as staff treating new mums with respect and dignity during the birth, being supportive and speaking to them in a way that they understand, as well as involving them in decision making.

The board of directors alongside the externally supported Maternity Assurance Committee will have full oversight of the Three-year Plan progress.

## **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Assurance Committee, and the other Board

Committees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process for maintaining and reviewing the effectiveness of the system of internal control is monitored by the Board and its committees. The chairs of these committees play a key role in assuring me of the performance, quality and financial position of the organisation, which in turn supports the management of risks across the organisation.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through an annual programme of internal audit work. The Head of Internal Audit has provided me with an opinion for 2023/24 below:

I am providing an opinion of **significant assurance** that there is a generally sound framework of governance, risk management and control designed to meet the organisation's objectives, and controls are generally being applied consistently.

**Strategic risk management and Board Assurance Framework** – I am providing an opinion of significant assurance. There has been regular reporting and updates across the year.

**Internal Audit Plan outturn** – I am providing an opinion of significant assurance. Some changes were made to the Internal Audit Plan in year reducing the extent of planned assurances. Of the eight core reviews reported in year, one provided limited assurance, one provided moderate assurance (NHS England opinion) and six provided significant assurance.

**Implementation of Internal Audit actions** – I am providing an opinion of significant assurance. The Audit and Assurance Committee has maintained good oversight of the implementation of internal audit actions, alerting the Board to the Trust's performance throughout the year. The Trust has also continued to enhance the internal processes for monitoring the implementation of actions. The first follow up rate has shown steady improvement over the last two years.

There have been 11 internal audit assignments completed during the year, including one advisory report on Governance Arrangements for MSK Services – Final Report 22/23 SFHT13. These comprise 8 significant assurance reports (22/23SFH10 Data Quality Framework Final report, 22/23SFH11 Recruitment engagement of agency staff - Final report, 22/23SFHFT08 Key Financial Systems - Pay Expenditure - Final Report, 22/23SFH15 Review of Cancer waiting times Final report, 23/24SFH Policy Management Framework Final report, 23/24 SFH04 Staff Wellbeing Final Report, 23/24SFH06 Accounts Payable and Treasury and Cash Management Final Report and 23/24SFH07 Financial Ledger and Reporting, one moderate assurance report (23/24 DSPT Final Report) and one limited assurance report (2223/SFH/Governance of Statutory Regulatory Committees). None contained any high-risk actions.

In relation to the Limited Assurance opinion report issued in 2023/24, progress in implementing the agreed actions is as follows:

<b>2023/24 Internal Audit Report</b>	<b>Opinion</b>	<b>High Risk Actions</b>	<b>Medium Risk Actions</b>	<b>Low Risk Actions</b>	<b>Current Progress</b>
Governance of Statutory and Regulatory Committees	Limited	0	4	2	4 medium risk and 2 low risk actions implemented.

The internal audit report providing Limited Assurance has been presented to the Audit and Assurance Committee by the executive lead. Implementation of actions identified in the report are monitored through the Quality committee.

All internal audit reports providing Significant Assurance are presented to the most appropriate committee, where the implementation of actions is also monitored.

Any actions which become overdue are reported back to the Audit and Assurance Committee and the action owners are invited to attend to discuss progress.

The Audit and Assurance Committee has maintained good oversight of the position and challenges throughout the year and we have enhanced our internal processes for monitoring of the implementation of actions to ensure managers are supported in achieving the deadlines agreed in the individual internal audit reports.

Managers and Executive Directors provide me with assurance through regular Board and management reports, all which evidence areas of effective internal control and risk management. The Audit and Assurance Committee and the Risk Committee ensure effective operation of risk management and focus on the establishment and maintenance of controls designed to give assurance that assets are safeguarded, waste and inefficiency are avoided, reliable information is produced and value for money is sought continuously.

My review for 2023/24 is also informed by:

- Regular executive reporting to Board and escalation processes through the Board Committees
- Assessment of financial reports submitted to NHS England
- NHS Oversight Framework segmentation for providers – the segmentation score for the Trust is 2.
- NHS Oversight Framework segmentation for ICSs – the segmentation score for the Nottinghamshire ICS changed from 2 to 3 during the year due to the system financial position. The segmentation score indicates the scale and general nature of NHSE support needed by the system. A score of 3 means bespoke, mandated support being provided.

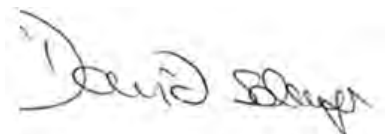
### **2023 National Staff Survey**

- The Trust's results show improvement for all elements. For two elements, staff engagement and morale, the Trust's scores were the best for all trusts and for seven out of nine elements they were above average.
- Patient surveys
- Clinical Audits

## **Conclusion**

There are no significant control issues

I am satisfied the organisation has a sound system of internal control supported by a robust governance structure.

A handwritten signature in black ink, appearing to read 'David Selwyn', is positioned above the printed name.

**David Selwyn**  
**Acting Chief Executive Officer**

**25<sup>th</sup> June 2024**



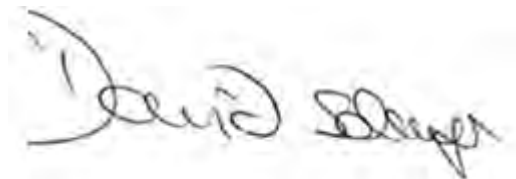
Sherwood Forest Hospitals NHS Foundation Trust

Annual accounts for the year ended 31 March 2024

**Foreword to the accounts**

**Sherwood Forest Hospitals NHS Foundation Trust**

These accounts, for the year ended 31 March 2024, have been prepared by Sherwood Forest Hospitals NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



**Signed** .....

**Name** David Selwyn  
**Job title** Acting Chief Executive Officer  
**Date** 25th June 2024

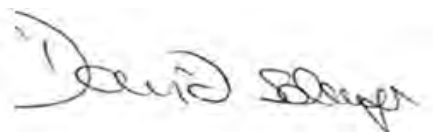
## Statement of Comprehensive Income

		2023/24	2022/23
	Note	£000	£000
Operating income from patient care activities	3	453,180	438,752
Other operating income	4	62,562	61,132
Operating expenses	7.1, 9	(510,050)	(485,814)
<b>Operating surplus/(deficit) from continuing operations</b>		<b>5,692</b>	<b>14,070</b>
Finance income	11	1,294	565
Finance expenses	12.1	(63,198)	(16,692)
PDC dividends payable		-	(2,009)
<b>Net finance costs</b>		<b>(61,904)</b>	<b>(18,136)</b>
Other gains / (losses)	13	(71)	26
Share of profit / (losses) of associates / joint arrangements	20	-	-
Gains / (losses) arising from transfers by absorption	33	-	-
Corporation tax expense		-	-
<b>Surplus / (deficit) for the year from continuing operations</b>		<b>(56,283)</b>	<b>(4,040)</b>
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15.1	-	-
<b>Surplus / (deficit) for the year</b>		<b>(56,283)</b>	<b>(4,040)</b>
<b>Other comprehensive income</b>			
<b>Will not be reclassified to income and expenditure:</b>			
Impairments	8	(1,213)	(245)
Revaluations	17	-	-
Other recognised gains and losses		-	2
<b>Total comprehensive income / (expense) for the period</b>		<b>(57,496)</b>	<b>(4,283)</b>
<b>Adjusted financial performance (control total basis):</b>			
Surplus / (deficit) for the period		(56,283)	(4,040)
Remove net impairments not scoring to the Departmental expenditure limit		855	(136)
Remove (gains) / losses on transfers by absorption		-	-
Remove I&E impact of capital grants and donations		163	284
Prior period adjustments		-	-
Remove non-cash element of on-SoFP pension costs		-	-
Remove impact of IFRS 16 on IFRIC 12 schemes		41,297	-
Remove net impact of inventories received from DHSC group bodies for COVID response		-	-
Remove loss recognised on peppercorn lease disposals		-	-
Remove loss recognised on return of donated COVID assets to DHSC		-	-
<b>Adjusted financial performance surplus / (deficit)</b>		<b>(13,968)</b>	<b>(3,892)</b>

## Statement of Financial Position

		31 March 2024 £000	31 March 2023 £000
	Note		
<b>Non-current assets</b>			
Intangible assets	14	3,185	4,775
Property, plant and equipment	15.1	335,698	320,712
Right of use assets	18.1	4,812	4,003
Investment property	19	-	-
Investments in associates and joint ventures	20.1	-	-
Other investments / financial assets	21	-	-
Receivables	20.1	1,451	1,261
Other assets	22.1	-	-
<b>Total non-current assets</b>		<b>345,145</b>	<b>330,751</b>
<b>Current assets</b>			
Inventories	19	6,161	5,685
Receivables	20.1	31,010	27,504
Other investments / financial assets	21	-	-
Other assets	22.1	-	-
Non-current assets for sale and assets in disposal groups	23	-	-
Cash and cash equivalents	21.1	4,736	23,541
<b>Total current assets</b>		<b>41,907</b>	<b>56,730</b>
<b>Current liabilities</b>			
Trade and other payables	22.1	(52,383)	(63,349)
Borrowings	24.1	(19,069)	(10,651)
Other financial liabilities	25.1	-	-
Provisions	25.1	(238)	(187)
Other liabilities	23	(1,193)	(1,727)
Liabilities in disposal groups	23.2	-	-
<b>Total current liabilities</b>		<b>(72,883)</b>	<b>(75,914)</b>
<b>Total assets less current liabilities</b>		<b>314,169</b>	<b>311,567</b>
<b>Non-current liabilities</b>			
Trade and other payables	22	-	-
Borrowings	24	(404,343)	(213,149)
Other financial liabilities	25	-	-
Provisions	25	(757)	(877)
Other liabilities	23	-	-
<b>Total non-current liabilities</b>		<b>(405,100)</b>	<b>(214,026)</b>
<b>Total assets employed</b>		<b>(90,931)</b>	<b>97,541</b>
<b>Financed by</b>			
Public dividend capital		496,313	462,632
Revaluation reserve		14,548	16,022
Financial assets reserve		-	-
Other reserves		-	-
Merger reserve		-	-
Income and expenditure reserve		(601,792)	(381,113)
<b>Total taxpayers' equity</b>		<b>(90,931)</b>	<b>97,541</b>

The notes on pages 146 to 198 form part of these accounts.



Name David Selwyn  
Position Acting Chief Executive Officer  
Date 25th June 2024

# Statement of Changes in Equity for the year ended 31 March 2024

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	<b>462,632</b>	<b>16,022</b>	<b>(381,113)</b>	<b>97,541</b>
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	(164,657)	<b>(164,657)</b>
Surplus/(deficit) for the year	-	-	(56,283)	<b>(56,283)</b>
Other transfers between reserves	-	(21)	21	-
Impairments	-	(1,213)	-	<b>(1,213)</b>
Revaluations	-	-	-	-
Public dividend capital received	33,681	-	-	<b>33,681</b>
Other reserve movements	-	(240)	240	-
<b>Taxpayers' and others' equity at 31 March 2024</b>	<b>496,313</b>	<b>14,548</b>	<b>(601,792)</b>	<b>(90,931)</b>

## Statement of Changes in Equity for the year ended 31 March 2023

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	415,445	16,511	(377,319)	54,637
Prior period adjustment	-	-	-	-
Taxpayers' and others' equity at 1 April 2022 - restated	415,445	16,511	(377,319)	54,637
Implementation of IFRS 16 on 1 April 2022	-	-	-	-
Surplus/(deficit) for the year	-	-	(4,040)	(4,040)
Other transfers between reserves	-	(20)	20	-
Impairments	-	(245)	-	(245)
Revaluations	-	-	-	-
Other recognised gains and losses	-	-	2	2
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-
Public dividend capital received	47,187	-	-	47,187
Other reserve movements	-	(224)	224	-
<b>Taxpayers' and others' equity at 31 March 2023</b>	<b>462,632</b>	<b>16,022</b>	<b>(381,113)</b>	<b>97,541</b>

## **Information on reserves**

### **Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

### **Revaluation reserve**

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

### **Financial assets reserve**

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

### **Merger reserve**

This legacy reserve reflects balances formed on previous mergers of NHS bodies.

### **Income and expenditure reserve**

The balance of this reserve is the accumulated surpluses and deficits of the trust.

## Statement of Cash Flows

	Note	2023/24 £000	2022/23 £000
<b>Cash flows from operating activities</b>			
Operating surplus / (deficit)		5,692	14,070
<b>Non-cash income and expense:</b>			
Depreciation and amortisation	7.1	15,722	15,817
Net impairments	8	855	(136)
Income recognised in respect of capital donations	4	(92)	(56)
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		(3,719)	(13,490)
(Increase) / decrease in inventories		(476)	(720)
Increase / (decrease) in payables and other liabilities		(9,753)	3,783
Increase / (decrease) in provisions		(69)	241
Other movements in operating cash flows		1	1
<b>Net cash flows from / (used in) operating activities</b>		<b>8,161</b>	<b>19,510</b>
<b>Cash flows from investing activities</b>			
Interest received		1,314	435
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(176)	(1,303)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(31,411)	(19,235)
Sales of PPE and investment property		40	94
<b>Net cash flows from / (used in) investing activities</b>		<b>(30,233)</b>	<b>(20,009)</b>
<b>Cash flows from financing activities</b>			
Public dividend capital received		33,681	47,187
Capital element of finance lease rental payments		(903)	(994)
Capital element of PFI, LIFT and other service concession payments		(19,049)	(10,150)
Other interest		(2)	-
Interest paid on finance lease liabilities		(141)	(50)
Interest paid on PFI, LIFT and other service concession obligations		(9,906)	(16,641)
PDC dividend (paid) / refunded		(413)	(1,636)
<b>Net cash flows from / (used in) financing activities</b>		<b>3,267</b>	<b>17,716</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>(18,805)</b>	<b>17,217</b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b>23,541</b>	<b>6,324</b>
Prior period adjustments		-	-
<b>Cash and cash equivalents at 1 April - restated</b>		<b>23,541</b>	<b>6,324</b>
Cash and cash equivalents transferred under absorption accounting	33	-	-
Unrealised gains / (losses) on foreign exchange		-	-
<b>Cash and cash equivalents at 31 March</b>	21.1	<b>4,736</b>	<b>23,541</b>



## **Notes to the Accounts**

### **Note 1 Accounting policies and other information**

#### **Note 1.1 Basis of preparation**

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

#### **Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

#### **Note 1.2 Going concern**

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case. The Trust has a negative statement of financial position however, this is not a concern as the organisation is a government body.

#### **Note 1.3 Interests in other entities**

The Trust is the Corporate Trustee of Sherwood Forest Hospitals General Charitable Fund. The Charity is not consolidated as the balances are not deemed material, however, the revenue and capital grants are reflected in the accounts. Non consolidated balances as at 31 March 2023 were £1.55m. This decision is ratified by the Board on an annual basis.

#### **Note 1.4 Revenue from contracts with customers**

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Standard credit terms apply to invoiced revenue with all NHS debt due for payment within 14 days and all non NHS receivables due within 30 days of the invoice date. Invoices are not raised where revenue is recognised on performance of a contractual obligation until this has been met.

## **Revenue from NHS contracts**

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differed from the agreed level set in the fixed payments, the variable element either increased or reduced the income earned by the Trust at a rate of 75% of the tariff price.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

## **Revenue from research contracts**

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

## **NHS injury cost recovery scheme**

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

## **Note 1.5 Other forms of income**

### **Grants and donations**

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

### **Apprenticeship service income**

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

### **Other income**

Income from various sources including items such as pharmacy sales and on site creche services.

## **Note 1.6 Expenditure on employee benefits**

### **Short-term employee benefits**

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

### **Pension costs**

#### *NHS Pension Scheme*

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

**Note 1.7 Expenditure on other goods and services**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

**Note 1.8 Discontinued operations**

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

## **Note 1.9 Property, plant and equipment**

### **Recognition**

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives. The Trust following advice from the District Valuer does not separately recognise any components within the PFI property as it is the responsibility of the PFI provider to maintain all assets at condition B until the date of transfer to the Trust in 2043.

### **Subsequent expenditure**

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### **Measurement**

#### *Valuation*

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

### **Depreciation**

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

### **Revaluation gains and losses**

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### **Impairments**

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### **De-recognition**

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

### **Donated and grant funded assets**

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the trust by the Department of Health and Social Care or NHS England as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

## **Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions**

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

### *Initial recognition*

In accordance with HM Treasury's *FReM*, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

### *Subsequent measurement*

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Lifecycle replacement costs are reviewed and charged to revenue or capital when they meet the capital definition and are then accounted for as part of the annual valuation assessment." In 2023/24 all lifecycle replacement costs were capitalised in line with the PFI model.

## **Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities**

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI, LIFT and other service concession arrangement liabilities have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.



### Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Land	-	-
Buildings, excluding dwellings	1	57
Dwellings	1	57
Plant & machinery	5	15
Information technology	5	8
Furniture & fittings	5	10

## **Note 1.10 Intangible assets**

### **Recognition**

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

#### *Internally generated intangible assets*

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

#### *Software*

Software, which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

### **Measurement**

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

### **Amortisation**

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

### **Useful lives of intangible assets**

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Software licences	5	10

### **Note 1.11 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

### **Note 1.12 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

### **Note 1.13 Financial assets and financial liabilities**

#### **Recognition**

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

#### **Classification and measurement**

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure.

Financial liabilities classified as subsequently measured at amortised cost fair value through income and expenditure.

## **Financial assets and financial liabilities at amortised cost**

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

### **Impairment of financial assets**

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### **Derecognition**

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

## **Note 1.14 Leases**

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

### **The Trust as a lessee**

#### **Recognition and initial measurement**

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

#### **Subsequent measurement**

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

## **The Trust as a lessor**

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

### **Finance leases**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

### **Operating leases**

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

## **Initial application of IFRS 16 in 2022/23**

*IFRS 16 Leases* as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced *IAS 17 Leases*, *IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4.

Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

## **The Trust as lessee**

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

## The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements was been reassessed with reference to the right of use asset.

## Note 1.15 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

		<b>Nominal rate</b>	<b>Prior year rate</b>
Short-term	Up to 5 years	4.26%	3.27%
Medium-term	After 5 years up to 10 years	4.03%	3.20%
Long-term	After 10 years up to 40 years	4.72%	3.51%
Very long-term	Exceeding 40 years	4.40%	3.00%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2024:

	<b>Inflation rate</b>	<b>Prior year rate</b>
Year 1	3.60%	7.40%
Year 2	1.80%	0.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: 1.70%).

## Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 25.2 but is not recognised in the Trust's accounts.

## Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

### **Note 1.16 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 26 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 26, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### **Note 1.17 Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

### **Note 1.18 Value added tax**

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **Note 1.19 Climate change levy**

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.



### **Note 1.20 Foreign exchange**

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

### **Note 1.21 Third party assets**

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

### **Note 1.22 Losses and special payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

### **Note 1.23 Gifts**

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

**Note 1.25 Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

**Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted**

Other standards, amendments and interpretations

Financial year for which the change first applies	Standard
Not EU-endorsed.* Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.	IFRS 14 Regulatory Deferral Accounts
Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be from April 2025	IFRS 17 Insurance Contracts

**Note 1.27 Critical judgements in applying accounting policies**

In applying the Trust's accounting policies management are required to make judgements, estimates and assumptions concerning the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and assumptions are based on historical experience and any other factors that are deemed relevant. Actual results may differ from these estimates and are continually reviewed to ensure validity remains appropriate. These revisions are recognised in the period in which they occur or the current and future periods, as appropriate. In relation to buildings a 2% change in value would equate to £4.9m.

Assumptions have been made regarding the treatment of Lifecycle costs which have all been capitalised in year, £2.09m based on the PFI model.

External Valuation where reliance has been placed on the valuation report as at 31 March 2023, as this represents the best available evidence of current value. Further details are included in note 1.9, and note 17.

**Note 2 Operating Segments**

No segmental analysis is shown as Sherwood Forest Hospitals NHS Foundation Trust acts solely in the UK and operates as a segment providing healthcare. The "Chief Operating Decision Maker" is deemed to be the Trust Board.

The Board currently receives only high level financial information and does not therefore review information or allocate resources in any way that could be perceived to represent operating segments.

The Trust is split into 5 clinical divisions, Urgent and Emergency Care, Medicine, Surgery, Women's and Children's and Clinical Support Therapies & Outpatients. In addition there is a 'upporting corporate function. all of these divisions are engaged directly in the provision of healthcare and hence are reported as one segment."

A detailed analysis of all income is disclosed in note 3 to these accounts.

### Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

<b>Note 3.1 Income from patient care activities (by nature)</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Acute services		
Income from commissioners under API contracts - variable element*	91,817	
Income from commissioners under API contracts - fixed element*	314,167	374,317
High cost drugs income from commissioners	16,875	14,636
Other NHS clinical income	-	-
Community services		
Income from commissioners under API contracts*	14,376	13,971
Income from other sources (e.g. local authorities)	3,070	2,931
All services		
Private patient income	23	115
Elective recovery fund	-	11,452
National pay award central funding***	183	9,563
Additional pension contribution central funding**	11,857	10,959
Other clinical income	812	808
<b>Total income from activities</b>	<b>453,180</b>	<b>438,752</b>

\*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.

<https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/>

\*\*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

\*\*\* Additional funding was made available by NHS England in 2023/24 and 2022/23 for implementing the backdated element of pay awards where government offers were made at the end of the financial year. 2023/24: In March 2024, the government announced a revised pay offer for consultants, reforming consultant pay scales with an effective date of 1 March 2024. Trade Unions representing consultant doctors accepted the offer in April 2024. 2022/23: In March 2023, the government made a pay offer for staff on agenda for change terms and conditions which was later confirmed in May 2023. The additional pay for 2022/23 was based on individuals in employment at 31 March 2023.

### Note 3.2 Income from patient care activities (by source)

	<b>2023/24</b>	<b>2022/23</b>
<b>Income from patient care activities received from:</b>	<b>£000</b>	<b>£000</b>
NHS England	27,947	37,795
Clinical commissioning groups		97,197
Integrated care boards	421,188	299,376
Department of Health and Social Care	-	-
Other NHS providers	13	421
NHS other	-	-
Local authorities	3,070	2,931

Non-NHS: private patients	23	115
Non-NHS: overseas patients (chargeable to patient)	127	109
Injury cost recovery scheme	812	808
Non NHS: other	-	-
<b>Total income from activities</b>	<b><u>453,180</u></b>	<b><u>438,752</u></b>
<b>Of which:</b>		
Related to continuing operations	453,180	438,752
Related to discontinued operations	-	-

**Note 3.3 Overseas visitors (relating to patients charged directly by the provider)**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Income recognised this year	127	109
Cash payments received in-year	15	10
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	34	15

**Note 4 Other operating income**

	<b>Contract income</b>	<b>2023/24 Non-contract income</b>	<b>Total</b>	<b>Contract income</b>	<b>2022/23 Non-contract income</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Research and development	865	-	865	776	-	776
Education and training	14,820	971	15,791	12,952	720	13,672
Non-patient care services to other bodies	36,740		36,740	36,354		36,354
Reimbursement and top up funding				4,633		4,633
Income in respect of employee benefits accounted on a gross basis	217		217	219		219
Receipt of capital grants and donations and peppercorn leases		92	92		56	56
Charitable and other contributions to expenditure		374	374		1,220	1,220
Revenue from operating leases		725	725		731	731
Amortisation of PFI deferred income / credits		-	-		-	-
Other income	7,755	3	7,758	3,470	1	3,471
<b>Total other operating income</b>	<b>60,397</b>	<b>2,165</b>	<b>62,562</b>	<b>58,404</b>	<b>2,728</b>	<b>61,132</b>

**Of which:**

Related to continuing operations	62,562	61,132
Related to discontinued operations	-	-

**Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	-	-

**Note 5.2 Income from activities arising from commissioner requested services**

The trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Income from services designated as commissioner requested services	452,218	437,720
Income from services not designated as commissioner requested services	962	1,032
<b>Total</b>	<b>453,180</b>	<b>438,752</b>

**Note 5.3 Profits and losses on disposal of property, plant and equipment**

No land and buildings assets used in the provision of commissioner requested services have been disposed of during the year.

**Note 6 Operating leases - Sherwood Forest Hospitals NHS Foundation Trust as lessor**

This note discloses income generated in operating lease agreements where Sherwood Forest Hospitals NHS Foundation Trust is the lessor.

**Note 6.1 Operating lease income**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
<b>Lease receipts recognised as income in year:</b>		
Minimum lease receipts	725	731
Variable lease receipts / contingent rents	-	-
<b>Total in-year operating lease income</b>	<b>725</b>	<b>731</b>

**Note 6.2 Future lease receipts**

	<b>31 March</b>	<b>31 March</b>
	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Future minimum lease receipts due in:		
- not later than one year	767	544
- later than one year and not later than two years	590	472
- later than two years and not later than three years	570	472
- later than three years and not later than four years	465	472
- later than four years and not later than five years	456	472
- later than five years	456	-
<b>Total</b>	<b>3,304</b>	<b>2,432</b>

## Note 7.1 Operating expenses

	2023/24	2022/23
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,931	1,949
Purchase of healthcare from non-NHS and non-DHSC bodies	3,982	5,412
Purchase of social care	-	-
Staff and executive directors costs	328,809	316,140
Remuneration of non-executive directors	158	174
Supplies and services - clinical (excluding drugs costs)	38,581	35,718
Supplies and services - general	3,789	4,379
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	30,388	28,048
Inventories written down	-	-
Consultancy costs	231	82
Establishment	3,940	4,228
Premises	24,356	23,215
Transport (including patient travel)	894	732
Depreciation on property, plant and equipment	13,956	13,777
Amortisation on intangible assets	1,766	2,040
Net impairments	855	(136)
Movement in credit loss allowance: contract receivables / contract assets	221	409
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	70	-
Change in provisions discount rate(s)	(8)	(5)
Fees payable to the external auditor		
audit services- statutory audit	170	125
other auditor remuneration (external auditor only)	-	-
Internal audit costs	147	113
Clinical negligence	15,964	14,648
Legal fees	232	138
Insurance	-	-
Research and development	-	-
Education and training	2,258	2,286
Expenditure on short term leases	1,633	-
Expenditure on low value leases	-	-
Variable lease payments not included in the liability	-	-
Early retirements	30	38
Redundancy	17	74
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	27,660	24,959
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	92	132
Car parking & security	-	-
Hospitality	494	282
Losses, ex gratia & special payments	124	-
Grossing up consortium arrangements	-	-
Other services, eg external payroll	-	-
Other	7,310	6,857
<b>Total</b>	<b>510,050</b>	<b>485,814</b>

Of which:



Related to continuing operations	510,050	485,814
Related to discontinued operations	-	-

## Note 7.2 Other auditor remuneration

	2023/24 £000	2022/23 £000
<b>Other auditor remuneration paid to the external auditor:</b>		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

## Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1 million (2022/23: £1 million).

## Note 8 Impairment of assets

	2023/24 £000	2022/23 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	855	(136)
Other	-	-
Total net impairments charged to operating surplus / deficit	<u>855</u>	<u>(136)</u>
Impairments charged to the revaluation reserve	<u>1,213</u>	<u>245</u>
<b>Total net impairments</b>	<u><b>2,068</b></u>	<u><b>109</b></u>

## Material impairments / (reversals) charged to the SOCI resulting from changes in market price

The District Valuer has undertaken a walk round review of the Trust estate as at 31 March 2024. This takes account of numerous factors contributing to an overall assessment of each building asset on a modern equivalent basis: these include functional and external obsolescence, investment into the property since the previous valuation and any changes of use.

**Note 9 Employee benefits**

	<b>2023/24</b>	<b>2022/23</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	244,166	235,677
Social security costs	28,105	25,474
Apprenticeship levy	1,240	1,197
Employer's contributions to NHS pensions	39,043	36,051
Pension cost - other	131	174
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	-
Temporary staff (including agency)	16,580	18,148
<b>Total gross staff costs</b>	<b>329,265</b>	<b>316,721</b>
Recoveries in respect of seconded staff	-	-
<b>Total staff costs</b>	<b>329,265</b>	<b>316,721</b>
<b>Of which</b>		
Costs capitalised as part of assets	409	469

**Note 9.1 Retirements due to ill-health**

During 2023/24 there were 6 early retirements from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £654k (£249k in 2022/23).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

## **Note 10 Pension costs**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as at 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% from 1 April 2024 (previously 20.6%).

## **National Employment Savings Trust (NEST)**

The National Employment Savings Trust (NEST) Corporation is the Trustee of the NEST occupational pension scheme. The scheme, which is run on a not-for-profit basis, ensures that all employers have access to suitable, low-charge pension provision. The Trust is required to comply with workplace pension legislation and to auto enrol employees into a pension scheme. Where employees are ineligible to join the NHS Pension Scheme the Trust enrolls the employee into NEST. NEST is a defined contribution scheme.

As at 31 March 2024 there were 7,866 members of the NHS Pension Scheme, 685 are enrolled within NEST and 4,562 are not currently contributing through a workplace pension scheme.

**Note 11 Finance income**

Finance income represents interest received on assets and investments in the period.

	2023/24 £000	2022/23 £000
Interest on bank accounts	1,294	565
<b>Total finance income</b>	<b>1,294</b>	<b>565</b>

**Note 12.1 Finance expenditure**

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2023/24 £000	2022/23 £000
<b>Interest expense:</b>		
Interest on lease obligations	141	50
Interest on late payment of commercial debt	2	-
<b>Finance costs on PFI, LIFT and other service concession arrangements:</b>		
Main finance costs	9,906	5,261
Contingent finance costs*	-	11,381
Remeasurement of the liability resulting from change in index or rate*	53,149	-
<b>Total interest expense</b>	<b>63,198</b>	<b>16,692</b>
Unwinding of discount on provisions	-	-
Other finance costs	-	-
<b>Total finance costs</b>	<b>63,198</b>	<b>16,692</b>

\* From 1 April 2023, IFRS 16 liability measurement principles are applied to PFI, LIFT and other service concession liabilities. Increases to imputed lease payments arising from inflationary uplifts are now included in the liability, and contingent rent no longer arises. More information is provided in Note 29.

**Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015**

	2023/24 £000	2022/23 £000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	2	-
Compensation paid to cover debt recovery costs under this legislation	-	-

**Note 13 Other gains / (losses)**

	2023/24 £000	2022/23 £000
Gains on disposal of assets	40	94
Losses on disposal of assets	(111)	(68)
<b>Total gains / (losses) on disposal of assets</b>	<b>(71)</b>	<b>26</b>
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-

Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Gains/(losses) on remeasurement of finance lease receivables (lessor)	-	-
Gains/(losses) on termination of finance leases (lessor)	-	-
Other gains / (losses)	-	-
<b>Total other gains / (losses)</b>	<b>(71)</b>	<b>26</b>

<b>Note 14.1 Intangible assets - 2023/24</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>Software licences</b>	<b>Software licences</b>
	<b>£000</b>	<b>£000</b>
<b>Valuation / gross cost at 1 April 2023 - brought forward</b>	<b>11,497</b>	<b>10,232</b>
Transfers by absorption	-	-
Additions	176	1,303
Disposals / derecognition	-	(38)
<b>Valuation / gross cost at 31 March 2024</b>	<b>11,673</b>	<b>11,497</b>
	-	
<b>Amortisation at 1 April 2023 - brought forward</b>	<b>6,722</b>	<b>4,720</b>
Transfers by absorption	-	-
Provided during the year	1,766	2,040
Disposals / derecognition	-	(38)
<b>Amortisation at 31 March 2024</b>	<b>8,488</b>	<b>6,722</b>
	-	
<b>Net book value at 31 March 2024</b>	<b>3,185</b>	
<b>Net book value at 1 April 2023</b>	<b>4,775</b>	<b>4,775</b>

**Note 15.1 Property, plant and equipment - 2023/24**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Valuation/gross cost at 1 April 2023 - brought forward</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>56,764</b>	-	<b>34,548</b>	<b>602</b>	<b>365,143</b>
Additions	-	8,460	208	12,668	4,609	-	4,215	12	<b>30,172</b>
Impairments	(2,318)	(14,463)	-	-	-	-	-	-	<b>(16,781)</b>
Reversals of impairments	-	14,713	-	-	-	-	-	-	<b>14,713</b>
Revaluations	-	(6,194)	-	-	-	-	-	-	<b>(6,194)</b>
Reclassifications	-	5,442	-	(5,442)	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(1,050)	-	-	-	<b>(1,050)</b>
<b>Valuation/gross cost at 31 March 2024</b>	<b>15,475</b>	<b>252,284</b>	<b>2,975</b>	<b>15,569</b>	<b>60,323</b>	-	<b>38,763</b>	<b>614</b>	<b>386,002</b>
<b>Accumulated depreciation at 1 April 2023 - brought forward</b>	-	-	-	-	<b>26,794</b>	-	<b>17,116</b>	<b>521</b>	<b>44,431</b>
Provided during the year	-	6,194	-	-	2,894	-	3,895	24	<b>13,007</b>
Revaluations	-	(6,194)	-	-	-	-	-	-	<b>(6,194)</b>
Disposals / derecognition	-	-	-	-	(939)	-	-	-	<b>(939)</b>
<b>Accumulated depreciation at 31 March 2024</b>	-	-	-	-	<b>28,749</b>	-	<b>21,011</b>	<b>545</b>	<b>50,305</b>

<b>Net book value at 31 March 2024</b>	<b>15,475</b>	<b>252,284</b>	<b>2,975</b>	<b>15,569</b>	<b>31,574</b>	<b>-</b>	<b>17,752</b>	<b>69</b>	<b>335,698</b>
<b>Net book value at 1 April 2023</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>29,970</b>	<b>-</b>	<b>17,432</b>	<b>81</b>	<b>320,712</b>

**Note 15.2 Property, plant and equipment - 2022/23**

	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Dwellings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2022 - as previously stated</b>	<b>18,656</b>	<b>242,210</b>	<b>2,567</b>	<b>701</b>	<b>48,018</b>	<b>-</b>	<b>26,019</b>	<b>612</b>	<b>338,783</b>
Prior period adjustments	-	-	-	-	-	-	-	-	-
<b>Valuation / gross cost at 1 April 2022 - restated</b>	<b>18,656</b>	<b>242,210</b>	<b>2,567</b>	<b>701</b>	<b>48,018</b>	<b>-</b>	<b>26,019</b>	<b>612</b>	<b>338,783</b>
Additions	-	7,433	200	7,642	10,590	-	8,529	-	<b>34,394</b>
Impairments	(863)	(6,615)	-	-	-	-	-	-	<b>(7,478)</b>
Reversals of impairments	-	7,369	-	-	-	-	-	-	<b>7,369</b>
Reclassifications	-	(6,071)	-	-	10	-	-	(10)	<b>(6,071)</b>
Disposals / derecognition	-	-	-	-	(1,854)	-	-	-	<b>(1,854)</b>
<b>Valuation/gross cost at 31 March 2023</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>56,764</b>	<b>-</b>	<b>34,548</b>	<b>602</b>	<b>365,143</b>
<b>Accumulated depreciation at 1 April 2022 - as previously stated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,684</b>	<b>-</b>	<b>14,359</b>	<b>482</b>	<b>39,525</b>
Prior period adjustments	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation at 1 April 2022 - restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,684</b>	<b>-</b>	<b>14,359</b>	<b>482</b>	<b>39,525</b>
IFRS 16 implementation - reclassification of existing finance leased assets to right of use assets	-	-	-	-	-	-	-	-	-

Provided during the year	-	6,071	-	-	3,896	-	2,757	39	12,763
Reclassifications	-	(6,071)	-	-	-	-	-	-	(6,071)
Disposals / derecognition	-	-	-	-	(1,786)	-	-	-	(1,786)
<b>Accumulated depreciation at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,794</b>	<b>-</b>	<b>17,116</b>	<b>521</b>	<b>44,431</b>
<b>Net book value at 31 March 2023</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>29,970</b>	<b>-</b>	<b>17,432</b>	<b>81</b>	<b>320,712</b>
<b>Net book value at 1 April 2022</b>	<b>18,656</b>	<b>242,210</b>	<b>2,567</b>	<b>701</b>	<b>23,334</b>	<b>-</b>	<b>11,660</b>	<b>130</b>	<b>299,258</b>

**Note 15.3 Property, plant and equipment financing -  
31 March 2024**

	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Dwellings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Total £000</b>
Owned - purchased	15,475	14,057	1	15,569	30,527	-	17,751	58	93,438
On-SoFP PFI contracts and other service concession arrangements	-	237,167	-	-	-	-	-	-	237,167
Off-SoFP PFI residual interests	-	-	2,974	-	-	-	-	-	2,974
Owned - donated/granted	-	1,060	-	-	1,047	-	1	11	2,119
<b>Total net book value at 31 March 2024</b>	<b>15,475</b>	<b>252,284</b>	<b>2,975</b>	<b>15,569</b>	<b>31,574</b>	<b>-</b>	<b>17,752</b>	<b>69</b>	<b>335,698</b>



**Note 15.4 Property, plant and equipment financing -  
31 March 2023**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned - purchased	17,793	11,396	-	8,343	28,771	-	17,430	80	83,813
On-SoFP PFI contracts and other service concession arrangements	-	231,838	-	-	-	-	-	-	231,838
Off-SoFP PFI residual interests	-	-	2,767	-	-	-	-	-	2,767
Owned - donated/granted	-	1,092	-	-	1,199	-	2	1	2,294
<b>Total net book value at 31 March 2023</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>29,970</b>	<b>-</b>	<b>17,432</b>	<b>81</b>	<b>320,712</b>

**Note 15.5 Property plant and equipment assets subject to an operating lease (Trust as a  
lessor) - 31 March 2023**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Subject to an operating lease	-	3,724	-	-	-	-	-	-	3,724
Not subject to an operating lease	17,793	240,602	2,767	8,343	29,970	-	17,432	81	316,988
<b>Total net book value at 31 March 2023</b>	<b>17,793</b>	<b>244,326</b>	<b>2,767</b>	<b>8,343</b>	<b>29,970</b>	<b>-</b>	<b>17,432</b>	<b>81</b>	<b>320,712</b>

## **Note 16 Donations of property, plant and equipment**

The Trust received donations during the year of £281k. (2022/23 £227k). No restrictions were placed on these donations of which £92k funded the purchase of tangible capital assets.

## **Note 17 Revaluations of property, plant and equipment**

An independent walk round revaluation was undertaken of the Trust's buildings by the District Valuer with an effective date of 31st March 2024. The review was performed by Rob Mapletoft, (MRICS), RICS registered valuer.

Assets in existing use:

For specialised properties (i.e. those for which no active market exists), depreciated replacement cost has been used and is considered to be a satisfactory approximation of current value in existing use.

Within this methodology, consistent with previous years, a Modern Equivalent Asset (MEA) approach was undertaken referenced to National Indices acceptable to the RICS. Consideration was given to improvements carried out during the year and where appropriate asset lives were adjusted accordingly based on the remaining useful life advised by the District Valuer. This had minimal effect on remaining lives. Modern Equivalent Asset (MEA) concept is applied: the "replacement cost" being based on the cost of a modern replacement asset that has the same productive capacity as the property being valued.

The Trust has no assets identified as no longer in operational use and therefore 'surplus' or any assets held for sale. The carrying value of land building and dwellings valued on an open market valuation basis at 31 March 2024 is detailed in note 15.1.

The useful economic asset lives for intangibles and plant and equipment are initially assessed when an asset is first recognised. Periodically the Trust does review these lives to identify and adjust for any assets impaired or where the useful economic life requires adjustment. This exercise was undertaken in 2019/20 for I.T assets.

The asset lives for individual buildings and dwellings are in accordance with the latest valuation report prepared by the external valuer.

The valuer has utilised assumptions with the valuation report to determine the conclusion, but responsibility over challenging the assumptions used is management's responsibility. The following assumptions have been utilised in the report:

1. Index – This is used as part of desktop review which is undertaken annually between full valuations. Utilising BCIS indexation figures to consider for inflation in building trade i.e., additional inflation cost for building a new build This is a consistent method used and is industry standard in line with RIC's and accounting standards. Therefore, we have no issue in the index used in the valuation. There are no alternatives to compare with, therefore current indexation method the most appropriate.
2. Building Cost Information Service (BCIS) Rates – the valuation reflects construction cost increases this year in view of evidence coming through from industry data produced by the RICS Building Cost Information Service (BCIS).
3. Depreciation - Essentially the valuation has resulted in depreciation being one year less than last year, which is line with expectations. Continue to apply design and remaining lives elements of each building where they are present. No change has occurred from previous year's calculations, therefore, applies a consistent approach and we would not expect a change in depreciation methodology as there has been neither change in guidance from RICS nor any change in accounting standards to facilitate any change in depreciation calculation. The depreciation has not adjusted the residual values.

4. Land - It is difficult to prove the price for commercial land, as it is commercially sensitive and not advertised publicly to be able to test exactly what land is going for currently. Therefore, it is reasonable to use the information the valuer provides, particularly as they are involved in selling and valuing of commercial land so understand the market.

Based on the valuation report if there was a 5% positive or negative movement in the valuation of buildings this would have resulted in a movement of £12.74m in the value of assets. This movement would have been reflected in either the revaluation reserve or income and expenditure as a revaluation adjustment as appropriate, however, It would have had no impact of the depreciation charge in year or the underlying reported position.

#### **Note 18 Leases - Sherwood Forest Hospitals NHS Foundation Trust as a lessee**

This note details information about leases for which the Trust is a lessee.

The Trust has entered into a number of leases as per IFRS16. These relate solely to equipment and buildings. The only material lease relates to wards at Mansfield Community Hospital.

#### **Note 18.1 Right of use assets - 2023/24**

	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
<b>Valuation / gross cost at 1 April 2023 - brought forward</b>	<b>4,440</b>	<b>577</b>	<b>5,017</b>	-
Transfers by absorption	-	-	-	-
Additions	1,370	114	1,484	-
Remeasurements of the lease liability	274	-	274	-
Movements in provisions for restoration / removal costs	-	-	-	-
<b>Valuation/gross cost at 31 March 2024</b>	<b>6,169</b>	<b>606</b>	<b>6,775</b>	-
<b>Accumulated depreciation at 1 April 2023 - brought forward</b>	<b>720</b>	<b>294</b>	<b>1,014</b>	-
Transfers by absorption	-	-	-	-
Provided during the year	748	201	949	-
<b>Accumulated depreciation at 31 March 2024</b>	<b>1,468</b>	<b>495</b>	<b>1,963</b>	-
<b>Net book value at 31 March 2024</b>	<b>4,701</b>	<b>111</b>	<b>4,812</b>	-
<b>Net book value at 1 April 2023</b>	<b>3,720</b>	<b>283</b>	<b>4,003</b>	-
Net book value of right of use assets leased from other NHS providers				-
Net book value of right of use assets leased from other DHSC group bodies				-

## Note 18.2 Right of use assets - 2022/23

	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
<b>Valuation / gross cost at 1 April 2022 - brought forward</b>	-	-	-	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	4,440	563	5,003	-
Transfers by absorption	-	-	-	-
Additions	-	14	14	-
<b>Valuation/gross cost at 31 March 2023</b>	<b>4,440</b>	<b>577</b>	<b>5,017</b>	-
<b>Accumulated depreciation at 1 April 2022 - brought forward</b>	-	-	-	-
Transfers by absorption	-	-	-	-
Provided during the year	720	294	1,014	-
<b>Accumulated depreciation at 31 March 2023</b>	<b>720</b>	<b>294</b>	<b>1,014</b>	-
<b>Net book value at 31 March 2023</b>	<b>3,720</b>	<b>283</b>	<b>4,003</b>	-
<b>Net book value at 1 April 2022</b>	-	-	-	-
Net book value of right of use assets leased from other NHS providers				-
Net book value of right of use assets leased from other DHSC group bodies				-

## Note 18.3 Revaluations of right of use assets

No external valuations have been made in year relating to building or PPE.

## Note 18.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 24.1.

	2023/24 £000	2022/23 £000
<b>Carrying value at 31 March</b>	<b>4,023</b>	-
Prior period adjustments	-	-
<b>Carrying value at 31 March - restated</b>	<b>4,023</b>	-
IFRS 16 implementation - adjustments for existing operating leases	-	5,003
Transfers by absorption	-	-
Lease additions	1,484	14
Lease liability remeasurements	274	-
Interest charge arising in year	141	50
Early terminations	-	-
Lease payments (cash outflows)	(1,044)	(1,044)
Other changes	-	-
<b>Carrying value at 31 March</b>	<b>4,878</b>	<b>4,023</b>

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure. These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

#### Note 18.5 Maturity analysis of future lease payments

		Of which leased from DHSC group bodies:		Of which leased from DHSC group bodies:
	<b>Total 31 March 2024 £000</b>	<b>31 March 2024 £000</b>	<b>Total 31 March 2023 £000</b>	<b>31 March 2023 £000</b>
<b>Undiscounted future lease payments payable in:</b>				
- not later than one year;	1,158	-	1,043	-
- later than one year and not later than five years;	4,581	274	3,386	-
- later than five years.	-	-	-	-
<b>Total gross future lease payments</b>	<b>5,739</b>	<b>274</b>	<b>4,429</b>	<b>-</b>
Finance charges allocated to future periods	(861)	-	(406)	-
<b>Net lease liabilities at 31 March 2024</b>	<b>4,878</b>	<b>274</b>	<b>4,023</b>	<b>-</b>
<b>Of which:</b>				
Leased from other NHS providers		-		-
Leased from other DHSC group bodies		274		-

## Note 19 Inventories

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
Drugs	2,407	2,065
Work In progress	-	-
Consumables	3,549	3,426
Energy	205	194
Other	-	-
<b>Total inventories</b>	<b><u>6,161</u></b>	<b><u>5,685</u></b>
<b>of which:</b>		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £32,544k (2022/23: £30,595k). Write-down of inventories recognised as expenses for the year were £0k (2022/23: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £132k of items purchased by DHSC (2022/23: £993k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

## Note 20.1 Receivables

	31 March 2024 £000	31 March 2023 £000
<b>Current</b>		
Contract receivables	26,409	22,924
Allowance for impaired contract receivables / assets	(418)	(527)
Allowance for other impaired receivables	-	-
Prepayments (non-PFI)	2,491	2,677
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	123	143
VAT receivable	2,372	2,263
Corporation and other taxes receivable	-	-
Other receivables	33	24
<b>Total current receivables</b>	<b>31,010</b>	<b>27,504</b>
<b>Non-current</b>		
Contract receivables	2,647	2,011
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(1,740)	(1,410)
Allowance for other impaired receivables	-	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	39	42
Interest receivable	-	-
Other receivables	505	618
<b>Total non-current receivables</b>	<b>1,451</b>	<b>1,261</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>		
Current	21,010	18,261
Non-current	505	618

**Note 20.2 Allowances for credit losses**

	<b>2023/24 Contract receivables and contract assets £000</b>	<b>2022/23 Contract receivables and contract assets £000</b>
<b>Allowances as at 1 April - brought forward</b>	<b>1,937</b>	<b>1,565</b>
Prior period adjustments	-	-
<b>Allowances as at 1 April - restated</b>	<b>1,937</b>	<b>1,565</b>
Transfers by absorption	-	-
New allowances arising	221	454
Changes in existing allowances	-	-
Reversals of allowances	-	(45)
Utilisation of allowances (write offs)	-	(37)
Changes arising following modification of contractual cash flows	-	-
Foreign exchange and other changes	-	-
<b>Allowances as at 31 Mar 2024</b>	<b>2,158</b>	<b>1,937</b>

**Note 20.3 Exposure to credit risk**

The majority of carrying debt relates to NHS organisations, therefore no significant credit risk is assumed in non impaired receivables.



### Note 21.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2023/24 £000	2022/23 £000
<b>At 1 April</b>	<b>23,541</b>	<b>6,324</b>
Prior period adjustments		-
<b>At 1 April (restated)</b>	<b>23,541</b>	<b>6,324</b>
Transfers by absorption	-	-
Net change in year	(18,805)	17,217
<b>At 31 March</b>	<b>4,736</b>	<b>23,541</b>
Broken down into:		
Cash at commercial banks and in hand	6	6
Cash with the Government Banking Service	4,730	23,535
<b>Total cash and cash equivalents as in SoFP</b>	<b>4,736</b>	<b>23,541</b>
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
<b>Total cash and cash equivalents as in SoCF</b>	<b>4,736</b>	<b>23,541</b>

### Note 21.2 Third party assets held by the trust

Sherwood Forest Hospitals NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2024 £000	31 March 2023 £000
Bank balances	-	-
Monies on deposit	3	5
<b>Total third party assets</b>	<b>3</b>	<b>5</b>

**Note 22.1 Trade and other payables**

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Current</b>		
Trade payables	5,253	5,853
Capital payables	17,657	18,991
Accruals	14,016	13,509
Receipts in advance and payments on account	-	168
PFI lifecycle replacement received in advance	-	-
Social security costs	3,459	3,177
VAT payables	-	-
Other taxes payable	3,790	3,161
PDC dividend payable	-	413
Pension contributions payable	3,894	3,454
Other payables	4,314	14,623
<b>Total current trade and other payables</b>	<b>52,383</b>	<b>63,349</b>
<b>Non-current</b>		
Other payables	-	-
<b>Total non-current trade and other payables</b>	<b>-</b>	<b>-</b>
<b>Of which payables from NHS and DHSC group bodies:</b>		
Current	1,955	1,673
Non-current	-	-

**Note 22.2 Early retirements in NHS payables above**

The payables note above does not include any liabilities in relation to early retirements.

**Note 23 Other liabilities**

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Current</b>		
Deferred income: contract liabilities	1,193	1,727
<b>Total other current liabilities</b>	<b>1,193</b>	<b>1,727</b>
<b>Non-current</b>		
Deferred income: contract liabilities	-	-
<b>Total other non-current liabilities</b>	<b>-</b>	<b>-</b>

**Note 24.1 Borrowings**

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Current</b>		
Lease liabilities	1,158	1,043
Obligations under PFI, LIFT or other service concession contracts	17,911	9,608
<b>Total current borrowings</b>	<b>19,069</b>	<b>10,651</b>
<b>Non-current</b>		
Lease liabilities	3,720	2,980
Obligations under PFI, LIFT or other service concession contracts	400,623	210,169
<b>Total non-current borrowings</b>	<b>404,343</b>	<b>213,149</b>

## Note 24.2 Reconciliation of liabilities arising from financing activities

	<b>Lease Liabilities £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2023</b>	<b>4,023</b>	<b>219,777</b>	<b>223,800</b>
<b>Cash movements:</b>			
Financing cash flows - payments and receipts of principal	(903)	(19,049)	<b>(19,952)</b>
Financing cash flows - payments of interest	(141)	(9,906)	<b>(10,047)</b>
<b>Non-cash movements:</b>			
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023		164,657	<b>164,657</b>
Transfers by absorption	-	-	-
Additions	1,484	-	<b>1,484</b>
Lease liability remeasurements	274	-	<b>274</b>
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	53,149	<b>53,149</b>
Application of effective interest rate	141	9,906	<b>10,047</b>
<b>Carrying value at 31 March 2024</b>	<b>4,878</b>	<b>418,534</b>	<b>423,412</b>

	<b>Lease Liabilities £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2022</b>	-	<b>229,927</b>	<b>229,927</b>
Prior period adjustment	-	-	-
<b>Carrying value at 1 April 2022 - restated</b>	-	<b>229,927</b>	<b>229,927</b>
<b>Cash movements:</b>			
Financing cash flows - payments and receipts of principal	(994)	(10,150)	(11,144)
Financing cash flows - payments of interest	(50)	(5,261)	(5,311)
<b>Non-cash movements:</b>			
Impact of implementing IFRS 16 on 1 April 2022	5,003		5,003
Transfers by absorption	-	-	-
Additions	14	-	14
Lease liability remeasurements	-	-	-
Application of effective interest rate	50	5,261	5,311
<b>Carrying value at 31 March 2023</b>	<b>4,023</b>	<b>219,777</b>	<b>223,800</b>

## Note 25.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Equal Pay (including Agenda for Change) £000	Other £000	Total £000
<b>At 1 April 2023</b>	<b>250</b>	<b>59</b>	<b>113</b>	<b>-</b>	<b>642</b>	<b>1,064</b>
Transfers by absorption	-	-	-	-	-	-
Change in the discount rate	(6)	(2)	-	-	(81)	(89)
Arising during the year	51	8	108	-	-	167
Utilised during the year	(48)	(6)	(55)	-	(4)	(113)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-
Reversed unused	-	-	(15)	-	(19)	(34)
Unwinding of discount	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>247</b>	<b>59</b>	<b>151</b>	<b>-</b>	<b>538</b>	<b>995</b>
Expected timing of cash flows:						
- not later than one year;	48	6	151	-	33	238
- later than one year and not later than five years;	192	24	-	-	42	258
- later than five years.	7	29	-	-	463	499
<b>Total</b>	<b>247</b>	<b>59</b>	<b>151</b>	<b>-</b>	<b>538</b>	<b>995</b>

Pensions relate to liabilities for employees who retired pre 1994 for whom the Trust retains responsibility for the payments being made.  
Other relates to pension tax liability where there is an offsetting accounts receivable balance held with the DoHSC.

## Note 25.2 Clinical negligence liabilities

At 31 March 2024, £146,941k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sherwood Forest Hospitals NHS Foundation Trust (31 March 2023: £164,728k).

## Note 26 Contingent assets and liabilities

	31 March 2024 £000	31 March 2023 £000
<b>Value of contingent liabilities</b>		
Other	(107)	(242)
<b>Gross value of contingent liabilities</b>	<b>(107)</b>	<b>(242)</b>
Amounts recoverable against liabilities	-	-
<b>Net value of contingent liabilities</b>	<b>(107)</b>	<b>(242)</b>
<b>Net value of contingent assets</b>	<b>-</b>	<b>-</b>

## Note 27 Contractual capital commitments

	31 March 2024 £000	31 March 2023 £000
Property, plant and equipment	11,283	14,044
Intangible assets	-	1
<b>Total</b>	<b>11,283</b>	<b>14,045</b>

## Note 28 Other financial commitments

The trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	31 March 2024 £000	31 March 2023 £000
not later than 1 year	-	-
after 1 year and not later than 5 years	-	-
paid thereafter	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 28 On-SoFP PFI, LIFT or other service concession arrangements

The Trust is currently committed to two on-statement of financial position PFI schemes as the transaction meets the IFRIC 12 definition of a service concession, as interpreted in the Government Accounting Manual. The Trust is required to account for the PFI scheme 'on-statement of financial position' and therefore the Trust treats the assets as if it were assets of the Trust.

The Trust has entered into private finance initiative contracts with:

a) Central Nottinghamshire Hospitals plc to construct and refurbish the Trust's buildings on the King's Mill and Newark hospital sites and then to operate them (estates, facilities management and life cycle replacement) for the Trust for the period to 2043. The contract requires that throughout the contract they are maintained to category B building standards. This PFI is known as the Modernisation of Acute Services (MAS). The MAS PFI scheme was completed and all assets were brought into use by 31 March 2012, with an estimated capital value of £366.5m.

b) Leicester Housing Association (LHA)\*, to construct a day nursery and out of hours facility, on the King's Mill hospital site. All assets were brought into use by 2002, with a capital value of £1.3m. Throughout the term of the agreement there is a requirement to keep the premises clean, tidy and in good order and to keep in good and substantial repair and condition in accordance with the Operating Agreement.

In respect of both PFI schemes the Trust has the rights to use the specified assets for the length of the Project Agreements. At the end of the Project Agreements the assets of both schemes will transfer to the Trust's ownership for no additional consideration.

The annual charge relating to the MAS scheme is subject to an annual inflation uplift based on RPI. The LHA schemes are a fixed charge over the life of the contract. All liquidity and associated market and financing risks for both schemes rests with Central Nottinghamshire plc and Leicester Housing Association respectively.

\* Leicester Housing Association is now known as Paragon Asra Housing (PA Housing).

### Note 28.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2024 £000	31 March 2023 £000
<b>Gross PFI, LIFT or other service concession liabilities</b>	<b>518,430</b>	<b>276,122</b>
<b>Of which liabilities are due</b>		
- not later than one year;	27,362	14,634
- later than one year and not later than five years;	109,183	55,993
- later than five years.	381,885	205,495
Finance charges allocated to future periods	(99,896)	(56,345)
<b>Net PFI, LIFT or other service concession arrangement obligation</b>	<b>418,534</b>	<b>219,777</b>
- not later than one year;	17,911	9,608
- later than one year and not later than five years;	75,567	38,037
- later than five years.	325,056	172,132

**Note 28.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments**

Total future commitments under these on-SoFP schemes are as follows:

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Total future payments committed in respect of the PFI, LIFT or other service concession arrangements</b>	<b>1,202,080</b>	<b>1,124,518</b>
<b>Of which payments are due:</b>		
- not later than one year;	63,304	46,039
- later than one year and not later than five years;	253,126	195,485
- later than five years.	885,650	882,994

**Note 28.3 Analysis of amounts payable to service concession operator**

This note provides an analysis of the unitary payments made to the service concession operator:

	<b>2023/24 £000</b>	<b>2022/23 £000</b>
<b>Unitary payment payable to service concession operator</b>	<b>60,528</b>	<b>53,793</b>
<b>Consisting of:</b>		
- Interest charge	9,906	5,261
- Repayment of balance sheet obligation	19,048	10,150
- Service element and other charges to operating expenditure	27,659	24,911
- Capital lifecycle maintenance	3,915	2,090
- Contingent rent	-	11,381
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	1	48
<b>Total amount paid to service concession operator</b>	<b>60,529</b>	<b>53,841</b>



## Note 29 Impact of change in accounting policy for on-SoFP PFI, LIFT and other service concession liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

### Note 29.1 Impact of change in accounting policy on the allocation of unitary payment

	IFRS 16 basis (new basis) 2023/24 £000	IAS 17 basis (old basis) 2023/24 £000	Impact of change 2023/24 £000
<b>Unitary payment payable to service concession operator</b>	<b>60,528</b>	<b>60,528</b>	<b>-</b>
<b>Consisting of:</b>			
- Interest charge	9,906	5,023	4,883
- Repayment of balance sheet obligation	19,048	9,615	9,433
- Service element	27,659	27,659	-
- Lifecycle maintenance	3,915	3,915	-
- Contingent rent	-	14,316	(14,316)
- Addition to lifecycle prepayment	-	-	-

Above tables includes the main PFI and Little Millers, Byron House which are accounted for as on balance sheet.

### Note 29.2 Impact of change in accounting policy on primary statements

#### Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:

	£000
Increase in PFI / LIFT and other service concession liabilities	(208,373)
Decrease in PDC dividend payable / increase in PDC dividend receivable	-
Increase in cash and cash equivalents (impact of PDC dividend only)	2,419
<b>Impact on net assets as at 31 March 2024</b>	<b>(205,954)</b>

#### Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:

	£000
PFI liability remeasurement charged to finance costs	(53,149)
Increase in interest arising on PFI liability	(4,883)

Reduction in contingent rent	14,316
Reduction in PDC dividend charge	2,419
<b>Net impact on surplus / (deficit)</b>	<b><u>(41,297)</u></b>

**Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:**

	<b>£000</b>
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(164,657)
Net impact on 2023/24 surplus / deficit	<u>(41,297)</u>
<b>Impact on equity as at 31 March 2024</b>	<b><u>(205,954)</u></b>

**Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:**

	<b>£000</b>
Increase in cash outflows for capital element of PFI / LIFT	(9,433)
Decrease in cash outflows for financing element of PFI / LIFT	9,433
Decrease in cash outflows for PDC dividend	<u>2,419</u>
<b>Net impact on cash flows from financing activities</b>	<b><u>2,419</u></b>

**Note 29.3 Off-SoFP PFI, LIFT and other service concession arrangements**

Sherwood Forest Hospitals NHS Foundation Trust incurred the following charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Charge in respect of the off SoFP PFI, LIFT or other service concession arrangement for the period</b>	<b>92</b>	<b>132</b>
Commitments in respect of off-SoFP PFI, LIFT or other service concession arrangements:		
- not later than one year;	420	400
- later than one year and not later than five years;	1,822	1,735
- later than five years.	<u>3,678</u>	<u>3,991</u>
<b>Total</b>	<b><u>5,920</u></b>	<b><u>6,126</u></b>

## **Note 30 Financial instruments**

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. The nature of the Trust's activities means that exposure to risk, although not eliminated, is substantially reduced.

### **Note 30.1 Financial risk management**

Because of the continuing service provider relationship that the Trust has with Integrated Care Boards (ICB's) and the way those ICB's are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Finance Committee.

### **Note 30.2 Currency Risk**

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

### **Note 30.3 Market (Interest Rate) Risk**

All of the Trust financial assets and all of its financial liabilities carry nil or fixed rates of interest. The Trust is not therefore, exposed to significant interest rate risk.

### **Note 30.4 Liquidity Risk**

The Trust's net operating costs are incurred under annual service agreements with Integrated Care Boards (ICB's) and NHS England, which are financed from resources voted annually by Parliament. The Trust ensures that it has sufficient cash to meet all its commitments when they fall due. This is regulated by the Trust's compliance with the 'Use of Resources Risk Rating' system created by NHSI, the Independent Regulator.

The Board continues to monitor its monthly and future cash position and has governance arrangements in place to manage cash requirements throughout the year. The Trust is not, therefore, exposed to significant liquidity risks.

### **Note 30.5 Fair Values**

All of the financial assets and all of the financial liabilities of the Trust are measured at fair value on recognition and subsequently amortised cost.

The fair values recognised in these accounts do not differ materially from the carrying amounts.

### **Note 30.6 Credit Risk**

The majority of the Trust's income comes from contracts with other public sector bodies, resulting in low exposure to credit risk. The Trust mitigates its exposure to credit risk relating to receivables from customers through regular review of debtor balances and by calculating an expected allowance for credit losses at the end of the year. Changes have been made to funding flows at least for the period April to July 2020 as part of the COVID 19 response.

These changes are not seen as an increase to credit risk as the operational expenditure and related financing is provided by the DHSC.

### Note 30.7 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	27,559	-	-	27,559
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	4,736	-	-	4,736
<b>Total at 31 March 2024</b>	<b>32,295</b>	<b>-</b>	<b>-</b>	<b>32,295</b>

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	23,783	-	-	23,783
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	23,541	-	-	23,541
<b>Total at 31 March 2023</b>	<b>47,324</b>	<b>-</b>	<b>-</b>	<b>47,324</b>

### Note 30.8 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	-	-	-
Obligations under leases	4,878	-	4,878
Obligations under PFI, LIFT and other service concession contracts	418,534	-	418,534
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	43,026	-	43,026
Other financial liabilities	-	-	-
Provisions under contract	995	-	995
<b>Total at 31 March 2024</b>	<b>467,433</b>	<b>-</b>	<b>467,433</b>

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Held at fair value	Total book value
--	------------------------------	--------------------------	------------------------

		through I&E	
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	-
Obligations under leases	4,023	-	4,023
Obligations under PFI, LIFT and other service concession contracts	219,777	-	219,777
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	56,430	-	56,430
Other financial liabilities	-	-	-
Provisions under contract	1,064	-	1,064
<b>Total at 31 March 2023</b>	<b>281,294</b>	<b>-</b>	<b>281,294</b>

### Note 30.9 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2024 £000	31 March 2023 £000
In one year or less	71,784	72,294
In more than one year but not more than five years	114,022	59,628
In more than five years	382,384	206,123
<b>Total</b>	<b>568,190</b>	<b>338,045</b>

## Note 31 Losses and special payments

	2023/24		2022/23	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	2	8	30	25
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	75	35	85	19
Stores losses and damage to property	1	1	3	2
<b>Total losses</b>	<b>78</b>	<b>44</b>	<b>118</b>	<b>46</b>
<b>Special payments</b>				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	24	76	40	124
Special severance payments	1	16	1	14
Extra-statutory and extra-regulatory payments	-	-	-	-
<b>Total special payments</b>	<b>25</b>	<b>92</b>	<b>41</b>	<b>138</b>
<b>Total losses and special payments</b>	<b>103</b>	<b>136</b>	<b>159</b>	<b>184</b>
Compensation payments received				

### **Note 32 Related parties**

The Trust undertakes a large number of related party transactions with other Government bodies. Related parties include but are not limited to

Department of Health and Social Care  
ministers  
The Department of Health and Social Care  
Board members of the Trust  
Nottingham University Hospitals NHS  
Trust  
University Hospitals of Leicester NHS  
Trust  
Chesterfield Royal Hospital NHS  
Foundation Trust  
Nottinghamshire Healthcare NHS  
Foundation Trust  
Northampton General Hospital NHS Trust  
University Hospitals of Derby and Burton NHS  
Foundation Trust  
Leeds Teaching Hospitals NHS  
Foundation Trust  
NHS Lincolnshire ICB  
NHS Derby and Derbyshire ICB  
NHS Nottingham and Nottinghamshire ICB  
NHS England  
Health Education England  
NHS Resolution  
NHS Property Services  
NHS Providers  
Department of Health and Social Care  
HM Revenue & Customs  
NHS Pension Scheme  
NHS Blood and Transplant  
Criminal Injuries Compensation Authority  
Nottinghamshire County Council  
NHS charitable funds (where not  
consolidated)

The Trust as Corporate Trustee also has a relationship with Sherwood Forest Hospitals General Charitable Fund. Charitable Income of £281k (2022/23 £227k) has been recognised in these accounts all of which relates to Sherwood Forest Hospitals General Charitable Fund. In addition a recharge of £53k (2022/23 £53k) has been made to Sherwood Forest Hospitals General Charitable Fund in relation to management / staff costs.

The accounts are not consolidated on the basis of materiality as approved by the Trustees subject to annual review and approval.

The Trust made no payments to related parties for whom the Chair, Non Executive or Executive Directors are named Directors.

### **Note 33 Prior period adjustments**

No prior period adjustments have been recognised in this accounting period.

**Note 34 Events after the reporting date**

There are non events after the reporting date that impact on theses financial statements and disclosures.

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF  
SHERWOOD FOREST HOSPITALS NHS FOUNDATION TRUST**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements of Sherwood Forest Hospitals NHS Foundation Trust ("the Trust") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2024 and of the Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in February 2024 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to either cease the Trust's services or dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the Trust over the going concern period.



Our conclusions based on this work:

- we consider that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the Accounting Officer's assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Trust will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit and Assurance Committee and internal audit and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Trust's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance because of the need to achieve financial performance targets delegated to the Trust by NHS England
- Reading Board and Audit and Assurance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls in particular the risk that Trust management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition because of the non-complex recognition due to the nature of the revenue, which limits the opportunities to fraudulently misstate revenue.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to non-pay expenditure recognition, particularly in relation to year-end accruals.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual cash combinations, unusual year end postings to reduce accruals, and material post close journals.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Inspecting cash payments and purchase invoices in the period prior to and following 31 March 2024 to verify expenditure had been recognised in the correct accounting period.

### ***Identifying and responding to risks of material misstatement related to non-compliance with laws and regulations***

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Accounting Officer (as required by auditing standards) and discussed with the Accounting Officer the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements, including the financial reporting aspects of NHS legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

### ***Context of the ability of the audit to detect fraud or breaches of law or regulation***

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## **Other information in the Annual Report**

The Accounting Officer is responsible for the other information, which comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

## **Annual Governance Statement**

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24. We have nothing to report in this respect.

## **Remuneration and Staff Reports**

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in all material respects, in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

## **Accounting Officer's responsibilities**

As explained more fully in the statement set out on page 26, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to either cease the services provided by the Trust or dissolve the Trust without the transfer of their services to another public sector entity.

## **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **REPORT ON OTHER LEGAL AND REGULATORY MATTERS**

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

### **Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources**

As explained more fully in the statement set out on page 102, the Accounting Officer is responsible for ensuring that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have planned our work and undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

### **Statutory reporting matters**

We are required by Schedule 2 to the Code of Audit Practice to report to you if any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006. We have nothing to report in this respect.


## **THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To

the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

### **CERTIFICATE OF COMPLETION OF THE AUDIT**

We certify that we have completed the audit of the accounts of Sherwood Forest Hospitals NHS Foundation Trust for the year ended 31 March 2024 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

  
A handwritten signature in black ink, appearing to read 'Richard Walton', is written over a faint, circular, textured background.

Richard Walton

**for and on behalf of KPMG LLP**

*Chartered Accountants*

Nottingham

26 June 2024

## Council of Governors - Cover Sheet

<b>Subject:</b>	Annual Accounts 2023/2024		<b>Date:</b>	13 August 2024	
<b>Prepared By:</b>	Michael Powell - Head of Financial Services				
<b>Approved By:</b>	Richard Mills - Chief Financial Officer				
<b>Presented By:</b>	Richard Mills - Chief Financial Officer				
<b>Purpose</b>					
To present the Annual Accounts for the year ending 31 <sup>st</sup> March 2024 alongside key audit findings				<b>Approval</b>	
				<b>Assurance</b>	
				<b>Update</b>	
				<b>Consider</b>	
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
				<b>X</b>	
<b>Principal Risk</b>					
<b>PR1</b>	Significant deterioration in standards of safety and care				
<b>PR2</b>	Demand that overwhelms capacity				
<b>PR3</b>	Critical shortage of workforce capacity and capability				
<b>PR4</b>	Failure to achieve the Trust's financial strategy				
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation				
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits				
<b>PR7</b>	Major disruptive incident				
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change				
<b>Committees/groups where this item has been presented before</b>					
Audit & Assurance Committee					
Trust Board					
<b>Acronyms</b>					
IFRS 16 - International Financial Reporting Standard no 16 - Leases					
PFI - Private Finance Initiative					
<b>Executive Summary</b>					
<p>The report outlines the headlines from the 2023/24 Annual Accounts which were approved by Board in June 2023 following external audit by KPMG.</p> <p>The accounts detail a reportable outturn of £13.97m deficit and a retained deficit of £56.28m. Cash holdings at the end of the year were reported as £4.74m, which is a decrease on the previous year mainly due to a reduction in capital creditors (payables) and the management of available cash throughout 2023/24.</p> <p>In year IFRS 16 was implemented in respect of the 'PFI scheme'. This resulted in an adjustment of £217.81m to the opening carrying liability of the PFI.</p> <p>The accounts were prepared on a going concern basis in consideration of appropriate guidance. The accounts were found to represent a true and fair view by the external auditors and an unqualified opinion has been issued.</p>					

Two unadjusted difference were identified and noted in the audit report, with a value of £1.13m relating to categorisation, not the reported outturn financial position.

There were no material weaknesses in relation to value for money and no significant inconsistencies were identified between the content of the annual report and the auditor knowledge of the Trust.

# 2023/24 Annual Accounts

Richard Mills  
Chief Financial Officer





### Content

- Annual accounts prepared in accordance with required guidance on a going concern basis.
- Four main statements (pages 140 to 145) & supporting notes (pages 146 onwards).
- Outturn against the plan was £13.97m deficit for the year.
- Accounting standard IFRS 16 (leases) in respect of the Private Finance Initiative implemented as of 1 April 2023. No other changes to existing Accounting Policies. (note 1.9 details).

### Process

- Annual Accounts and Annual Report produced, submitted & published as per required timelines.
- Audit Committee review of **draft** on 18 April, prior to KPMG Audit review.
- Final accounts presented to Audit Committee on 13 June, prior to Board sign off.
- Board of Directors adoption on 13 June followed by KPMG 'Unmodified' Audit Opinion & signed accounts 26 June.

## Four Main Statements



**Sherwood Forest Hospitals**  
NHS Foundation Trust

### **Statement of Comprehensive Income**

(Page 140)

- Also known as the Income & Expenditure Statement or the Profit & Loss.
- The Trust is reporting a retained deficit of £56.28m.
- This includes a £1.02m increase in the value of assets (reversal of impairment) and donations and £41.30m relating to the impact of IFRS 16 (leases).
- Excluding these, the underlying operating position is £13.97m deficit.

### **Statement of Financial Position**

(Page 141)

- Also known as the Balance Sheet.
- Increase in value of property, plant & equipment to £335.70m due to asset revaluation and additions less depreciation.
- Borrowing is in relation to the PFI and lease liabilities plus PFI indexation. Annual repayment of £19.95m, in year leaving total borrowing at £423.41m. This includes a movement of £217.81m, due to the implementation of IFRS16 leases in respect of the PFI.
- Income & Expenditure Reserve value (£601.79m) provides the accumulated annual deficits of the Trust.

### **Statement of Changes in Equity**

(Pages 142)

- Records how the assets of the Trust are financed by the Treasury and how these have changed over the accounting year. Includes the receipt of £33.68m of PDC. (£11.00m Revenue PDC and £22.68m Capital PDC).
- Details balances in the SOFP.

### **Statement of Cash Flows**

(Page 145)

- Records how cash holding has moved from £23.54m at 31 March 2023 to £4.74m at 31 March 2024, as disclosed in the SOFP.
- Primarily due to the capital expenditure, PFI payments and reduced PDC funding.

## Summary Findings

- Unqualified Opinion, i.e. assessment that the accounts give a true and fair view of the financial performance and position of the Trust.
- No material weaknesses have been identified with regard to value for money.
- One potential significant risk was identified relating to financial sustainability; as a result of large underlying deficits— a national issue affecting many Trusts
  - *KPMG carried out a review; ‘based on the findings we have **not identified any significant weaknesses** in the Trust’s arrangements in relation to financial sustainability’*
- No significant inconsistencies were identified between the content of the annual report and the auditor knowledge of the Trust.
- There were two unadjusted difference £1.13m, noted in the audit report relating to categorisation, not the reported outturn financial position.
- A materiality threshold of £12.5m was in place for the 2023/24 audit.

### Recommendations

- An appropriate officer should be appointed to oversee the asset verification exercise and ensure that the control is performed recurrently each month.
- An exercise to confirm and amend asset categories should be performed to ensure that RAM is correctly reporting the asset classifications and depreciation calculated for the period.
- We recommend that the Trust introduce an additional verification step as part of their review of the sales ledger to verify that all transactions have been appropriately posted to the correct account code and that no amounts have been netted off.

## Audit and Assurance Committee Chair's Highlight Report to Council of Governors

<b>Subject:</b>	Audit and Assurance Committee	<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Manjeet Gill – Chair of Audit and Assurance Committee		
<b>Approved By:</b>	Manjeet Gill		
<b>Presented By:</b>	Manjeet Gill		
<b>Purpose:</b>			
		<b>Assurance</b>	<b>Substantial Assurance</b>

Matters of Concern or Key Risks Escalated for Noting / Action	Major Actions Commissioned / Work Underway
<p><b>Delivery of Trust Strategy</b> – Concern about capacity to deliver strategy, improvements and innovation. Especially to meet the requirements of the externally supported financial efficiency work commissioned by the ICB in line with national direction.</p> <p><b>Fracture Liaison Database</b> – Further assurance is sought via Quality Committee regarding this database. It is a mandated requirement and assurance needed for the plans and timescales to put this in place.</p>	<p>Progress on Due Diligence work for procurement and contract management including the opportunities around the Dynamic Purchasing Systems to open up the Frameworks, stronger procedures around Single tender waivers, and revisiting the processes around “No PO No Payment” about all of which a progress update report will be brought to the Committee in 3 months’ time.</p> <p>Assurance on the Mental Health review and delivery of our Mental Health Strategy.</p> <p>Assurance to be provided by NHIS on timescales for completing the Network Data Security Policy.</p>
Positive Assurances to Provide	Decisions Made (include BAF review outcomes)
<p>Substantial Assurance provided from the Internal Audit Progress report against the 2024/25 Plan (including the new presentation of reports to show the strength of cumulative assurance), Register of Interests update, Non-clinical policies update, completion of outstanding Internal Audit Actions, Counter Fraud Progress report and Non-Clinical Audits.</p> <p>Assessment by 360 Assurance of the final submission of the Data Security Protection Toolkit provides substantial (high) assurance.</p> <p>Risk Committee report provided good assurance overall noting the</p>	<p>Losses and special payments (x3) noted and approved.</p> <p>Assured on the Board Assurance Framework process.</p> <p>Noted PR4 will be considered by the Finance Committee at its meeting on 23<sup>rd</sup> July 2023.</p>

<p>substantial Assurance from the work around Digital risk management, in particular.</p> <p>Substantial Assurance on the strengthening of due diligence processes for contract management, procurement and single tender waivers.</p> <p>Moderate Assurance opinion following the Internal Audit for FIP with assurance on the actions being taken to address recommendations.</p> <p>Limited Assurance opinion following the Internal Audit for Safeguarding. Assured on the actions being taken to implement the Audit recommendations.</p>	
<b>Comments on effectiveness of the meeting</b>	
<p>Substantial Assurance on the Committee's Effectiveness including the quality and balance of the reports. Governor observers were asked for feedback with one pointing out that it felt to him that the Trust is now being reactive rather than proactive in relation to the delivery of its Strategy.</p>	
<b>Items recommended for consideration by other Committees</b>	
<p>Quality Committee to seek assurance on timescales for completion of Fracture Liaison Database and Clinical Audit Planning Process update.</p>	

Note: this report does not require a cover sheet due to sufficient information provided.

## Quality Committee Chair's Highlight Report to Council of Governors

Quality Committee Chair's Highlight Report to Council of Governors			
Subject:	Quality Committee	Date	Monday 22 <sup>nd</sup> July 2024
Prepared By:	Aly Rashid, Non-Executive Director/Chair		
Approved By:	Aly Rashid, Non-Executive Director/Chair		
Presented By:	Aly Rashid, Non-Executive Director/Chair		
Purpose:			
Assurance report to Board		Assurance	Substantial Assurance

Matters of Concern or Key Risks Escalated for Noting / Action	Major Actions Commissioned / Work Underway
<ul style="list-style-type: none"><li>- 62 Day- Cancer Performance and the tension between cancer waits and funding.</li><li>- Fragile Services- Cardiology, Haematology and Stroke and establishment of working groups.</li><li>- Limited Assurance provided in relation to the 360 Safeguarding Final Report. Noting updates to be provided to QC against ongoing actions.</li></ul>	
Positive Assurances to Provide	Decisions Made <i>(include BAF review outcomes)</i>
<ul style="list-style-type: none"><li>- Positive assurance provided through the Cancer Services Annual Report.</li><li>- Update in relation to the Electronic Patient Record (EPR) noted for information.</li><li>- Updated in relation to improvement hot topic noted for information.</li><li>- Positive Assurance from the PSC and PAC updates.</li><li>- Assurance provided against the Maternity PFD actions underway.</li><li>- Update received in response to challenged services.</li></ul>	<ul style="list-style-type: none"><li>- Approval of the IPR for Timely Care submission to the BOD.</li><li>- Approval of the IPR for Quality Care submission to the BOD.</li><li>- Approval of PR's 1, 2 and 5 of the Board Assurance Framework with no changes to the risk scores outlined.</li></ul>
Comments on effectiveness of the meeting	
Positive meeting held with in depth explanations and discussions in response to papers provided.	
Items recommended for consideration by other Committees	

## Finance Committee Chair's Highlight Report to Council of Governors

<b>Subject:</b>	Finance Committee (FC) Report	<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Graham Ward – FC Chair		
<b>Approved By:</b>			
<b>Presented By:</b>	Graham Ward – FC Chair		
<b>Purpose:</b>			
To provide an overview of the key discussion items from the Finance Committee meeting of 23 <sup>rd</sup> July 2024.		<b>Assurance</b>	Significant

Matters of Concern or Key Risks Escalated for Noting / Action	Major Actions Commissioned / Work Underway
<ul style="list-style-type: none"> <li>• <u>Month 3 Financial Performance</u> (to NOTE): <ul style="list-style-type: none"> <li>○ £0.6M adverse to plan</li> <li>○ Delivered planned FIP, BUT still a significant gap to find</li> <li>○ Behind on ERF</li> <li>○ Grant Thornton review progressing well and Investigation &amp; Intervention Review (I&amp;I) by PA (on behalf of ICB as part of national review) about to commence.</li> <li>○ ICB YTD actuals at £59M deficit (£2.4M adverse variance)</li> </ul> </li> <li>• <u>PFI Update</u> (to NOTE) – Hard FM service continues to underperform.</li> <li>• <u>Internal Audit Report on Financial Improvement and Productivity</u> (to NOTE) – Moderate Assurance with 3 medium and 5 low risk recommendations. All agreed and in process of being implemented.</li> </ul>	<ul style="list-style-type: none"> <li>• <u>FIP</u> – More detailed plan to be presented next month, including final outcomes of GT review.</li> <li>• <u>Improvement Cabinet</u> – The role and terms of reference to be reviewed.</li> <li>• <u>Internal Audit Report on System Financial Controls</u> – follow up report to be prepared on status of the 37 (of 80) self-assessed controls classed as 'Not complete and in place' to be presented to the next meeting.</li> </ul>



Positive Assurances to Provide	Decisions Made <i>(include BAF review outcomes)</i>
<ul style="list-style-type: none"> <li>• <u>Grant Thornton Review</u> – Progress noted and good discussion on areas to focus on for FIP.</li> <li>• <u>PA I&amp;I Review</u> – Agreed that scope of review will be helpful in further verifying work being undertaken, but also potentially identifying other opportunities within both the Trust and the ICS.</li> <li>• <u>Month 3 Financial Performance</u> – Deficit and variance to plan discussed.</li> <li>• <u>Procurement</u> – Annual Report and Contracts Forward Plan presented and reviewed. Assured by continued progress and cross organisation work being undertaken by the department.</li> </ul>	<ul style="list-style-type: none"> <li>• <u>BAF</u> – PR4 (Financial Sustainability), agreed to maintain risk score at 16, but to monitor closely as reviews are completed and FIP plan further developed. PR8 (Sustainable Reductions in Trust's Impact on Climate Change), agreed to maintain risk score at 12 and to review as plans to improve control implemented during July and through to September.</li> </ul>
<b>Comments on effectiveness of the meeting</b>	
<ul style="list-style-type: none"> <li>• All papers were of a high quality and clear which helped the meeting run smoothly and promoted good constructive challenge and discussion.</li> </ul>	
<b>Items recommended for consideration by other Committees</b>	
<ul style="list-style-type: none"> <li>• To Audit Committee that the two Internal Audit Reports were thoroughly discussed and implemented of recommendations will be monitored.</li> </ul>	

***Note: this report does not require a cover sheet due to sufficient information provided.***

## People Committee Chair's Highlight Report to Council of Governors

<b>Subject:</b>	People Committee Chair’s Highlight Report	<b>Date:</b>	31 <sup>st</sup> July 2024
<b>Prepared By:</b>	Steve Banks, Non Executive Director		
<b>Approved By:</b>	Steve Banks, Non Executive Director		
<b>Presented By:</b>	Steve Banks, Non Executive Director		
<b>Purpose:</b>			
To update the Board on the People Committee highlights following conversation held at the July meeting		<b>Assurance</b>	<b>Significant</b>

Matters of Concern or Key Risks Escalated for Noting / Action		Major Actions Commissioned / Work Underway	
<ul style="list-style-type: none"> <li>The ongoing context of strike action, increased demand and intense financial pressures impacting on the wellbeing and engagement of people in the Trust.</li> <li>The lack of system capacity for patients with mental health concerns continues to lead to inappropriate lengths of stay in Urgent Care in unsuitable conditions.</li> <li>Despite much positive assurance from the Thelwell self-review, some governance challenges exist</li> </ul>		<ul style="list-style-type: none"> <li>Fragile services are being increasingly supported across the system and by the East Midlands Acute Providers network (EMAP)</li> </ul>	
Positive Assurances to Provide		Decisions Made (include BAF review outcomes)	
<p>Much positive assurance was provided including from:</p> <ul style="list-style-type: none"> <li>The actions following the significant assurance 360 report and the people promise.</li> <li>The development of the cultural heat map evolving due to divisional requests</li> <li>360 audit findings re appraisals</li> <li>People strategy progress</li> </ul>		<p>PR3 of the BAF was reviewed.</p> <ul style="list-style-type: none"> <li>Due to continuing strike action and risk of further action the ratings remain unchanged and the threat of loss of work force productivity continues to have inconclusive assurance.</li> </ul>	

<ul style="list-style-type: none"> <li>• Workforce Race Equality Standard progress, although national ambition for senior roles was challenged with further work planned at the next committee</li> <li>• Workforce Disability Equality Standard progress</li> <li>• Nursing and Midwifery Establishment review process</li> <li>• Health and Safety Update</li> </ul>	
<b>Comments on effectiveness of the meeting</b>	
Governor observation that Committee worked very effectively, with high quality input and some quite challenging conversations	
<b>Items recommended for consideration by other Committees</b>	
Productivity, agency and bank usage require working across People and Finance committees to ensure FIP targets are met	

***Note: this report does not require a cover sheet due to sufficient information provided.***

## Charitable Funds Committee (CFC) Chair's Highlight Report to Council of Governors

<b>Subject:</b>	Charitable Funds Committee Report	<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Andrew Rose-Britton, CFC Chair		
<b>Approved By:</b>	Andrew Rose-Britton, CFC Chair		
<b>Presented By:</b>	Andrew Rose-Britton, CFC Chair		
<b>Purpose:</b>			
To provide an overview of the key discussion items from the Charitable Funds Committee meeting of 23 <sup>rd</sup> July 2024.		<b>Assurance</b>	

Matters of Concern or Key Risks Escalated for Noting / Action		Major Actions Commissioned / Work Underway	
<ul style="list-style-type: none"> <li>Project to re-scope End of Life rooms still not finalised in terms of cost or timescales</li> </ul>		<ul style="list-style-type: none"> <li>To further develop and investigate fund raising options.</li> <li>To finalise the launch of the Breast Service appeal for the 50% balance of funding required.</li> <li>To review resources needed to promote charity work.</li> <li>To look to develop Corporate and Staff engagement.</li> <li>Review meeting arrangements including periodic meetings in person, including at Newark, and including development meetings in the schedule so members can see charity funded projects in action.</li> </ul>	
Positive Assurances to Provide		Decisions Made <i>(include BAF review outcomes)</i>	
<ul style="list-style-type: none"> <li>Operational Group Quadrant gave positive assurances.</li> <li>Community Involvement headline report well received.</li> <li>The general direction of the Charity development plan was discussed, and the direction of travel was supported.</li> <li>Market summary and investment portfolio</li> </ul>		<ul style="list-style-type: none"> <li>To purchase a pair of Neptune 3 Rovers (a closed waste management system) utilising the grant funding from the Magnus Foundation.</li> <li>To support the suggestion of a Green Champion category in the Annual Excellence Awards and to consider the suggestion to hold a Green "Dragons' Den".</li> <li>To extend the duration of committee meetings to 2 hours.</li> <li>To arrange a meeting of the Charity Trustees to appraise them of the updated appeal fund raising target</li> </ul>	

<b>Comments on effectiveness of the meeting</b>
Full engagement of the committee members, good discussion and decisions made.
<b>Items recommended for consideration by other Committees</b>
None.

***Note: this report does not require a cover sheet due to sufficient information provided.***

## Council of Governors - Cover Sheet

<b>Subject:</b>	Membership & Engagement Report				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Liz Barrett, Lead Governor					
<b>Approved By:</b>	Liz Barrett, Lead Governor					
<b>Presented By:</b>	Liz Barrett, Lead Governor					
<b>Purpose</b>						
An update as to the changes being implemented linked to the governor 'Meet Your Governor' activity.					<b>Approval</b>	
					<b>Assurance</b>	<b>X</b>
					<b>Update</b>	
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
			<b>X</b>			
<b>Identify which Principal Risk this report relates to:</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					
<b>PR2</b>	Demand that overwhelms capacity					
<b>PR3</b>	Critical shortage of workforce capacity and capability					
<b>PR4</b>	Failure to achieve the Trust's financial strategy					
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					<b>X</b>
<b>PR7</b>	Major disruptive incident					
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>						
Governor Membership and Engagement Committee						
<b>Acronyms</b>						
SFHFT = Sherwood Forest Hospital Foundation Trust						
<b>Executive Summary</b>						
<p>It was discussed at the Governor Conference back in April 2024 that Governors would take a new approach towards the 'Meet Your Governor' activity that we undertake monthly.</p> <p>Prior to the conference, Meet your Governor activity happened monthly across the Trust's three hospitals with governors capturing feedback on a paper form that includes the number of people spoken with, new members signed up and topics of conversation. These forms were then submitted to SFHFT to be collated and shared internally with key staff.</p> <p>It was unanimously agreed that a refresh of format to promote greater exploration of both concerns and strengths would enable qualitative information to be collected and shared and was an opportunity for real action and impact to be easily demonstrated.</p>						

To support the revised model, it was proposed that Governors move to a quarterly focus on agreed 'hot topics,' starting with patient discharge (July to September 2024). Targeted focus on 'hot topics' would generate meaningful and actionable feedback for the Trust, with specific services being at the heart of the revised Meet Your Governor Model.

Governors will use a new, simple online form to record feedback on its four tabs covering the Hot Topic, other general positive comments, other general negative comments and Governors' attendance. The move away from the paper system creates efficiencies and greater standardisation.

Feedback will be collated into a 'master spreadsheet' by the Communications and Membership Officer and reported back to the Membership and Engagement Committee on a quarterly basis.

Importantly, the 'master spreadsheet' will include additional fields to record actions taken, dates for their review, outcomes and feedback to share with the Membership and Engagement Committee.

Governors will actively discuss and agree the hot topic focuses at future Membership and Engagement meetings.

For each hot topic a Governor is to be identified as the 'Hot Topic Lead'. This role will have a job description aligned to it to support the role being applied in a consistent way when different governors lead on it.

At the time of writing this report governor Kevin Stewart is leading on our first hot topic initiative of 'Discharge'. To prepare Governors for this hot topic we have had a very informative presentation on how SFHFT tackles the topic of 'discharge' and all that it encompasses.

Several governors have trailed the new Meet your Governor approach and feedback has been positive.

The Hot Topic Lead will collaborate with the Director of Corporate Affairs to review the feedback and actions taken in response and participate in its feedback to the membership and engagement committee.

Informed by other feedback received at meet your governor sessions, Governors to agree on the next Hot Topic and consider the forward programme.

A briefing on the Hot Topic will be arranged at the start of each quarter.

An Annual Review on the impact of the meet your governor scheme to be prepared including the longer-term effect of the actions taken and their outcomes.

It is early days with this new and revised approach. However, there are green shoots of positivity as to how this model could add real impact and value to the work that governors do and very much support a 'you said, we did' approach with secure and evidential outcomes.

**Council of Governors - Cover Sheet**

<b>Subject:</b>	Non-Executive Directors Appraisal outcome 2023/2024 and objectives 2024/2025				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Approved By:</b>	Graham Ward, Acting Chair					
<b>Presented By:</b>	Graham Ward, Acting Chair					
<b>Purpose</b>						
To approve the recommendation of the Chair in respect of the appraisals for the Non-Executive Directors.					<b>Approval</b>	
					<b>Assurance</b>	<b>X</b>
					<b>Update</b>	
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>			
<b>Principal Risk</b>						
<b>PR1</b> Significant deterioration in standards of safety and care						
<b>PR2</b> Demand that overwhelms capacity						
<b>PR3</b> Critical shortage of workforce capacity and capability						
<b>PR4</b> Failure to achieve the Trust's financial strategy						
<b>PR5</b> Inability to initiate and implement evidence-based Improvement and innovation						
<b>PR6</b> Working more closely with local health and care partners does not fully deliver the required benefits						
<b>PR7</b> Major disruptive incident						
<b>PR8</b> Failure to deliver sustainable reductions in the Trust's impact on climate change						
<b>Committees/groups where this item has been presented before</b>						
N/A						
<b>Acronyms</b>						
NED – Non-Executive Director						
<b>Executive Summary</b>						
<p>Appraisals with all NEDs were conducted by Claire Ward, the Trust's former Chair, prior to her leaving the Trust on 24<sup>th</sup> May 2024 and feedback given to the appraisees. Claire reported her overall conclusion was that she believed the Trust has a highly experienced and motivated NED team, members of which engage above and beyond their expected contractual responsibilities. In the reporting year there was a focus on the finalisation of the Trust Strategy for 2024-29 that saw NEDs well engaged in discussions and challenging appropriately on its content and timelines. Claire acknowledged how impactful this engagement was to both her and the Executive team.</p> <p>During the review year Claire continued her regular dialogue with individual Committee Chairs after each meeting to enable developing themes to be taken forward to Board, as appropriate.</p> <p>In the coming year Claire envisaged a priority for NEDs would continue to be how the Trust will respond to and meet the challenges facing the NHS and ensure that the Trust's role as an anchor organisation is at the heart of its partnership work.</p>						



I look forward to continuing to work with our NEDs for the remainder of my tenure as Acting Chair and to implementing the planned succession arrangements.

#### Overview of NED Objectives for 2024/25

General objectives were agreed with each NED as follows:

1. Participate fully and contribute to the Board
2. Hold the executives to account through challenging and seeking evidence to triangulate the views of the executives and information presented at the Board
3. Participate in discussion and formulation of strategy, cultural and organisational development
4. Attend 15 steps and site visits across the trust and as many services as possible.
5. Remain up to date and engaged in the developments around the ICS and Provider Collaboratives to support and inform SFH strategy implementation.
6. Work with Governors through attendance at Council meetings.
7. Provide support to the CEO and EDs where appropriate.

In addition, individual objectives were agreed as follows:

Name	NED Specific Objectives
Barbara Brady	This will be a year of challenge for the board, especially with the change of chair at some point through the year. As SID it is important that Barbara provides the continuity of counsel to the chair
Manjeet Gill	<ol style="list-style-type: none"> <li>1. Continue to Chair Audit Committee</li> <li>2. Continue membership of Quality and Partnership and Communities committees</li> <li>3. Support Graham and Deputy CEO in their roles over the coming months</li> <li>4. Continue the system level engagement.</li> <li>5. Develop my role as a future Chair of a Trust.</li> <li>6. To take part in site visits across the Trust and to a range of services, including 15 steps programme.</li> </ol>
Graham Ward	<ol style="list-style-type: none"> <li>1. To move to Acting Chair of the Trust, on the departure of Claire Ward.</li> </ol>
Steve Banks	<ol style="list-style-type: none"> <li>1. To Chair the People committee</li> <li>2. To continue as a member on the Charitable Funds Committee and Audit committee.</li> <li>3. To support and share NED leadership with Graham Ward on the issue of estates and PFI.</li> <li>4. To develop more knowledge of our services through patient pathways and visits to our sites.</li> </ol>
Dr Aly Rashid	<ol style="list-style-type: none"> <li>1. To Chair the Quality Committee</li> <li>2. To continue as a member of People Committee</li> </ol>

Andrew Rose Britton	<ol style="list-style-type: none"> <li>1. To continue membership of Finance, Audit, People and Charitable funds .This should extend Andrew's experience and understanding of the Trust.</li> <li>2. To increase awareness and discussions with others in committee and board on risk issues and concerns.</li> <li>3. To support the board executives and NEDs as part of the transition to a new chair.</li> </ol>	
Dr Andy Haynes	<ol style="list-style-type: none"> <li>1. To provide any additional support and advice to the new Acting Chair.</li> <li>2. To provide support and advice where appropriate to the Acting CEO and Medical Director during the period of Paul Robinson's absence.</li> </ol>	

**Council of Governors - Cover Sheet**

<b>Subject:</b>	Revised Constitution				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Approved By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Presented By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Purpose</b>						
To seek approval from the Council of Governors to proposed updates to the Trust's Constitution.					<b>Approval</b>	
					<b>Assurance</b>	<b>X</b>
					<b>Update</b>	
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	
<b>Principal Risk</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					<b>X</b>
<b>PR2</b>	Demand that overwhelms capacity					<b>X</b>
<b>PR3</b>	Critical shortage of workforce capacity and capability					<b>X</b>
<b>PR4</b>	Failure to achieve the Trust's financial strategy					<b>X</b>
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					
<b>PR7</b>	Major disruptive incident					
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change					
<b>Committees/groups where this item has been presented before</b>						
Constitution Working Group meetings held on 16 <sup>th</sup> May and 5 <sup>th</sup> July 2024						
<b>Acronyms</b>						
NHSE – National Health Service England PBP – Place Based Partnership						
<b>Executive Summary</b>						
<p>A Governor working group comprising the Lead Governor, Ian Holden, Peter Gregory, Sam Musson, and Vikram Desai was established to consider the changes required to the Constitution as a result of feedback received regarding the constituencies and voting arrangements. The working group met twice and was supported by the Director of Corporate Affairs and Head of Communications.</p> <p>The Constitution was most recently approved in August 2022. The appended tracked changes version includes proposed amendments to reflect the working group's feedback about the need for the "Rest of the East Midlands" constituency to be more specifically focussed on the local communities of Mansfield and Ashfield that it serves.</p> <p>In order to address the modernisation of the voting arrangements, proposed revisions also now specifically reference the NHSE Model Election Rules that permit e.voting thereby enabling future</p>						

elections to be both more efficient and significantly less expensive as no postage charges will be incurred.

The opportunity has also been taken to update the paragraphs about terms of office to align them with NHSE requirements that they do not exceed nine years, to revise out of date references e.g. to the role of Trust Secretary, and to replace the unused opportunity for the PBP to nominate a governor, with a nominee from the new Combined Authority instead. The Mayor has welcomed this whilst noting that it may be a while before the new organisation is able to appoint.

The process for the approval of changes to the Constitution to follow once recommendations are received from the Council of Governors is contained within Paragraph 20. This means the next step after approval by the Council of Governors is for the revisions to be approved by the Trust Board in public session on 1<sup>st</sup> September 2024 at which point they will take effect. It is for noting that as the proposed changes do not relate to the powers or duties of the Council of Governors there is no formal requirement for a Governor to present them to the Annual Public meeting on 24<sup>th</sup> September 2024. However, it is proposed that a record of the amendments to the Constitution is formally placed in the public domain at the Annual Members' meeting.

**Recommendation:** That the Council of Governors recommends the proposed changes to the Trust Constitution to the Trust Board in public for approval and to them being included on the agenda for the Annual Members' meeting for noting.

**CONSTITUTION**  
  
**OF**  
  
**SHERWOOD FOREST HOSPITALS NHS FOUNDATION**  
  
**TRUST**

*(A Public Benefit Corporation)*

*Approved from February 2007*

*Further revised version August 2022*

| [Further revised version July 2024](#)

Draft amended constitution - version control

Version 1 - Shirley Higginbotham 26 Jul 2022

Version 2 - Browne Jacobson 5 Aug 2022

[Version 3 - Sally Brook Shanahan 5 July 2024](#)

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**Annex 1: Public Constituencies**

**Annex 2: Staff Constituencies**

**Annex 3: Model Election Rules**

**Annex 4: Board of Directors Standing Orders**

**Annex 5: Council of Governors Standing Orders**



# SHERWOOD FOREST HOSPITALS NHS FOUNDATION TRUST (A PUBLIC BENEFIT CORPORATION)

## CONSTITUTION

This Constitution represents the constitution of Sherwood Forest Hospitals NHS Foundation Trust as adopted in accordance with the 2006 Act (as defined below) as amended by the 2012 Act (as defined below). This Constitution sets out the powers and functions of the Trust. In exercising its powers and carrying out its functions the Trust shall aim to provide the best possible patient care, based on evidence and in a culture that encourages continuous improvement

Unless a contrary intention is evident or the context requires otherwise, words or expressions contained in this Constitution shall bear the same meaning as in the 2006 Act as amended by the 2012 Act.

References in this Constitution to legislation include all amendments, replacements, or re-enactments made, and include all subordinate legislation made thereunder.

Headings are for ease of reference only and are not to affect interpretation. All annexes referred to in this Constitution form part of it.

Words importing the masculine gender only shall include the feminine gender; words importing the singular shall include the plural and vice-versa.

References to paragraphs are to paragraphs in this Constitution save that where there is a reference to a paragraph in an annex to this Constitution it shall be a reference to a paragraph in that annex unless the contrary is expressly stated, or the context otherwise so requires.

## 1 Definitions

In this Constitution:

**2006 Act** - means the National Health Service Act 2006.

**2012 Act** - means the Health and Social Care Act 2012.

**2022 Act** – means the Health and Care Act 2022.

**Accounting Officer** - means the Chief Executive who discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act.

**Annual Accounts** - means those accounts prepared by the Trust (through the Accounting Officer) pursuant to paragraph 25 of Schedule 7 to the 2006 Act.

**Annual Members' Meeting** – means the annual meeting of the Members as provided for in paragraph 6.8.

**Annual Report** – means the annual report of the Trust prepared by the Trust as referred to at paragraph 15.1.

**Appointed Governor** - means ~~a PBP Governor~~, a Local Authority Governor, a Volunteer Governor or an Other Partnership Governor.

**Audit Committee** - means the committee of the Board of Directors as established pursuant to paragraph 8.4.

Auditor - means the auditor of the Trust appointed by the Council of Governors pursuant to paragraph 7.15.2.1.

Board of Directors - means the board of directors of the Trust as constituted in accordance with this Constitution;

~~PBP - means Mid Nottinghamshire Place Based Partnership~~

~~PBP Governor - means the Appointed Governor appointed by the PBP pursuant to paragraph 7.5.1.~~

Code of Conduct for Directors - **means the Trust's code of conduct for Directors** (as amended from time to time).

Code of Conduct for Governors - **means the Trust's code of conduct for Governors** (as amended from time to time).

**CoG's Nominations Committee** - means the committee appointed by the Council of Governors pursuant to paragraph 8.5.1.3.

Council of Governors - means the council of governors of the Trust as constituted in accordance with this Constitution.

Chair - means the Chair of the Trust appointed in accordance with paragraph 7.15.2.1.

Chief Executive - means the Chief Executive of the Trust appointed in accordance with paragraph 8.5.2.

Combined Authority - means the East Midlands Combined County Authority

Constituency - means either a Public Constituency or the Staff Constituency **and "Constituencies" shall be construed** accordingly.

Constitution - means this Constitution together with its annexes.

Designated Trust Sub-contractors - means Central Nottinghamshire Hospitals PLC (CNH) and such other sub-contractors of the Trust as may be designated as such from time to time by the Board of Directors.

Director - means an Executive or Non-Executive Director.

Director of Corporate Affairs - means the Executive lead for all aspects of the provision of advice, administration and services to the Governors.

Elected Governor - means a Staff Governor or a Public Governor.

Engagement Policy - means the engagement policy in relation to the interaction of the Board of Directors and Council of Governors as published by the Council of Governors from time to time.

Executive Director - means an Executive Director of the Trust being the Chief Executive, Chief Finance Officer or such other Executive Director as is appointed under paragraph 8.5.

Chief Finance Officer - means the Chief Finance Officer of the Trust appointed in accordance with paragraph 8.5.

Financial Year - each successive period of twelve months beginning with 1st April in any year.

Governor - means a member of the Council of Governors

Health Overview and Scrutiny Committee - means a local authority overview and scrutiny committee established pursuant to Section 21 of the Local Government Act 2000.

Health Service Body - shall have the meaning ascribed to it in section 65(1) of the 2006 Act.

Healthwatch - means a Healthwatch England committee as defined in section 181 of the Health and Social Care Act 2012 or a Local Healthwatch organisation as defined in section 222 of the Local Government and Public Involvement in Health Act 2007.

Hospital means: King's Mill Hospital; Newark Hospital; Mansfield Community Hospital and all associated hospitals, establishments and facilities at which the Trust provides and/or manages the provision of goods and/or services, **including accommodation and "Hospitals" shall be construed** accordingly.

Lead Governor - means the Governor appointed by the Council of Governors **as the Trust's lead governor pursuant to** paragraph [7.1.3](#).

Local Authority - means any of: Ashfield District Council; Mansfield District Council; Newark & Sherwood District Council; and Nottinghamshire County **Council and "Local Authorities" shall be construed** accordingly.

Local Authority Governor - means the Appointed Governor appointed pursuant to paragraph 7.7 by a Local Authority.

Member - **means a member of the Trust and the term "Membership" shall be** construed accordingly.

Model Election Rules - means the Model Election Rules [2014](#) ~~as published from time to time by the Foundation Trust Network, or any subsequent version or successor arrangements.~~ **NHS Providers.**

NHSE - means NHS England which was originally established as the NHS Commissioning Board under section 1H of the NHSA and renamed NHS England under section 1 of the 2022 Act.

Nolan Principles - means the seven principles of conduct of holders of public office enunciated by the Nolan Committee in its Report on Standards in Public Office.

Non-Executive Director - means the Chair or such other Non-Executive Director of the Trust appointed in accordance with paragraph 8.5.

Other Partnership Governor - means the Appointed Governor appointed by an Other Partnership Organisation pursuant to paragraph 7.8.

Other Partnership Organisation - means West Nottinghamshire College.

Policies - **means the Trust's published policies on** freedom to speak up, confidentiality, equal opportunities and such other reasonable Trust policies as are notified to the Directors and Governors in writing from time to time.

Public Constituency - means ~~one of the Public Constituencies as set out in Annex 1 and~~ **"Public Constituency" shall be construed accordingly.**

Public Governor - means a member of the Council of Governors elected by the members of a Public Constituency.

Registered Dentist - means a registered dentist within the meaning of the Dentists Act 1984.

Registered Medical Practitioner - means a medical practitioner who is fully registered within the meaning of the Medical Act 1983 who holds a license to practice under that Act.

Registered Midwife - means a person who is registered to practice as a midwife by the Nursing and Midwifery Council.

Registered Nurse - means a person who is registered to practice as a nurse by the Nursing and Midwifery Council.

Senior Independent Director - means an independent Non-Executive Director appointed by the Board of Directors (in consultation with the Council of Governors) and having the role envisaged by the NHSE's **NHS Foundation Trust** Code of Governance.

Sherwood Forest Volunteers - means the volunteers who are engaged by the Trust to provide voluntary services.

Staff Constituency - means the constituency of the Trust as referred to Annex 2.

Staff Governor - means a member of the Council of Governors elected by the members of the Staff Constituency.

Sub-contractor Personnel - **means the employees of any of the Trust's** Designated Sub-contractors who, in the course of their employment, exercise functions on behalf of the Trust.

Trust - means the Sherwood Forest Hospitals NHS Foundation Trust.

~~Trust Secretary - means the secretary of the Trust or any other person or body corporate appointed to perform the duties of the secretary of the Trust, including a joint, assistant or deputy secretary.~~

Vice Chair - means the Non-Executive Director appointed as the vice chair of the Trust by the Council of Governors in general meeting.

Volunteer Governor - means the Appointed Governor appointed by the Sherwood Forest Volunteers.

- 2 Name
  - 2.1 The name of the foundation trust is "Sherwood Forest Hospitals NHS Foundation **Trust**".
- 3 Principal Purpose
  - 3.1 **The Trust's principal purpose is the provision of goods and services for the purposes of the health service in England.**
  - 3.2 The Trust does not fulfil its principal purpose unless, in each Financial Year, its total income from the provision of goods and services for the purposes of the health service in England is greater than its total income from the provision of goods and services for any other purposes.
- 4 Other Purposes
  - 4.1 In addition to the **Trust's principal purpose as set out in paragraph 3, the Trust** may:
    - 4.1.1 provide goods and services for any purposes related to:
      - 4.1.1.1 the provision of services provided to individuals for or in connection with the prevention, diagnosis or treatment of illness; and
      - 4.1.1.2 the promotion and protection of public health.
    - 4.1.2 carry out research in connection with the provision of health care and make facilities and staff available for the purposes of education, training or research carried on by others; and
    - 4.1.3 carry on activities other than those mentioned above for the purpose of making additional income available in order to better carry on the **Trust's principal purpose.**
- 5 Powers
  - 5.1 The Trust has all the powers of an NHS foundation trust as set out in the 2006 Act.
  - 5.2 All the powers of the Trust shall be exercised by the Board of Directors on behalf of the Trust.
  - 5.3 Any of the powers of the Trust may be delegated to a committee of Directors or to an Executive Director in accordance with this Constitution and the Standing Orders of the Board of Directors.
- 6 Members and constituencies
  - 6.1 Constituencies

6.1.1 The Trust shall have members each of whom shall be a member of one of the following constituencies:

6.1.1.1 a Public Constituency; ~~or~~

6.1.1.2 the Staff Constituency.

## 6.2 Public Constituency

6.2.1 Subject to paragraph 6.5 an individual is eligible to become a member of a Public Constituency if they:

6.2.1.1 live in the area specified for that Public Constituency in the corresponding entry in column 2 of Annex 1.

6.2.1.2 are not a member of another Public Constituency .

6.2.1.3 are not eligible to become a member of the Staff Constituency; and

6.2.1.4 are at least 16 years old at the time of their application to be a Member.

6.2.2 Those individuals who are eligible to be members of a Public Constituency are referred to collectively as a **“Public Constituency”**.

6.2.3 An eligible individual shall become a Member upon entry to the membership register pursuant to an application by them.

6.2.4 On receipt of an application for Membership and subject to being satisfied that the applicant is eligible the Director of Corporate Affairs ~~Trust Secretary~~ shall cause the applicant's name to be entered in the Trust's register of Members.

6.2.5 The minimum number of Members of each Public Constituency is set out in column 3 of Annex 1.

## 6.3 Staff Constituency

6.3.1 Subject to paragraphs 6.3.2 and 6.5 individuals are eligible to become members of the Staff Constituency if they are at least 16 years old and they are employed by the Trust under a contract of employment (other than as a Non-Executive Director);

6.3.2 For the avoidance doubt members of the Staff Constituency cannot be members of a Public Constituency.

6.3.3 An individual is only eligible to become a member of the Staff Constituency under paragraph 6.3.1 above if they satisfy the minimum duration requirements set out in 3(3) of Schedule 7 to the 2006 Act, that is to say:

6.3.2.1 In the case of individuals qualifying under paragraph 6.3.1.1 above, they:

- (a) are employed by the Trust under a contract of employment which has no fixed term.
- (b) are employed by the Trust under a contract of employment which has fixed term of at least 12 months; or
- (c) have been continuously employed by the Trust under a contract of employment for at least 12 months.

6.3.2.2 Not used

6.3.2.3 For the purposes of paragraphs 6.3.2.1 Chapter 1 of Part 14 of the Employment Rights Act 1996 shall apply for the purposes of determining whether the individual has been continuously employed by the Trust or has continually exercised functions on behalf of the Trust.

6.3.4 An individual who is:

6.3.3.1 eligible to become a member of the Staff Constituency who qualifies under paragraph 6.3.1.1 and

6.3.3.2 is invited by the Trust to become a member of the Staff Constituency

shall become a Member of the Trust as a member of the Staff Constituency without an application for Membership being made unless they inform the Trust they do not wish to become a Member.

6.3.5 On receipt of an application for Membership for those qualifying for membership of the Trust and subject to being satisfied that the applicant is eligible, the ~~Trust Secretary~~ Director of Corporate Affairs shall cause the applicant's name to be entered in the Trust's register of Members.

6.3.6 Those individuals who are eligible for Membership by reason of the provisions set out in this paragraph 6.3 are referred to collectively as the **"Staff Constituency"**.

6.3.7 The minimum number of Members for the Staff Constituency is set out in column 3 of Annex 2.

6.4 Not used

6.5 Disqualification for Membership

6.5.1 An individual may not be or continue as a Member of the Trust if, in respect of:

6.5.1.1 a Public Member they do not meet the relevant eligibility criteria under paragraph 6.2; or

6.5.1.2 a Staff Member they do not meet the relevant eligibility criteria under paragraph 6.3.

6.5.2 It is the responsibility of each Member to ensure their eligibility for membership. If the Trust is on notice that a Member may no longer be eligible to be a Member, the Trust shall carry out such reasonable enquiries as it considers necessary to establish if this is the case and shall invite the Member concerned to comment on its findings (within 14 days), and following receipt of any comments or expiry of that 14 day period (whichever occurs first) the Director of Corporate Affairs ~~Trust Secretary~~ shall decide whether such Member should be disqualified.

## 6.6 Termination of Membership

6.6.1 A Member shall cease to be a Member if they

6.6.1.1 resign by notice in writing to the Director of Corporate Affairs ~~Trust Secretary~~; or

6.6.1.2 cease to fulfil the eligibility requirements of paragraphs 6.2 or 6.3 and/or is disqualified under paragraph 6.5.

## 6.7 Voting at Governor Elections

6.7.1 A Member may not vote in an election for an Elected Governor unless within the specified time period they have made a declaration in the specified form setting out the particulars of their qualification to vote as a member of the Constituency (and where relevant the appropriate class within that Constituency) for which the election is being held. The specified time period and form of declaration are specified in the Model Election Rules.

6.7.2 It is an offence for any Member to knowingly or recklessly make such a declaration as is referred to at paragraph 6.7.1 which is false in a material particular.

6.7.3 An individual who is a member of another foundation trust as well as the Trust may vote in elections for this Trust provided, they are able to comply with the provisions of this paragraph 6.7 (Voting at Governor Elections).

## 6.8 Annual Members' Meeting

6.8.1 **The Trust shall every year hold an Annual Members' Meeting which shall be open to members of the public.**

6.8.2 **The following documents shall be presented at the Annual Members' Meeting by at least one of the Directors:**

6.8.2.1 the Annual Accounts.

6.8.2.2 any report of the Auditor on the Annual Accounts; and

6.8.2.3 the Annual Report.



- 6.8.3 The Trust may combine a meeting of the Council of Governors convened for the purposes of being presented with the documents in sub-paragraph 6.8.2 with the Annual Members' Meeting.
- 6.8.4 In accordance with paragraph 20.3 where an amendment has been made to the Constitution in relation the powers or duties of the Council of Governors (or otherwise with respect to the role that the Council of Governors has as a part of the Trust), Members shall be given an opportunity to vote at the Annual Members' Meeting on whether they approve the amendment which shall be presented to that meeting by at least one Governor.
- 6.8.5 Where an amendment has been presented to the Annual Member's Meeting in accordance with paragraph 6.8.4, and it is not approved by more than half of the Members voting such amendment shall cease to have effect and the Trust shall take such steps as are necessary as a result.

## 7 Council of Governors

### 7.1 Composition

- 7.1.1 The Trust shall have a Council of Governors which shall consist of Elected Governors and Appointed Governors (as set out in paragraph 7.1.2).
- 7.1.2 The composition of the Council of Governors shall be:
- 7.1.2.1 fourteen (14) Public Governors representing the Public Constituencies as set out in Annex 1;
  - 7.1.2.2 Three (3) Staff Governors representing the Staff Constituency as set out in Annex 2;
  - ~~7.1.2.3 one (1) PBP Governor; one (1) Combined Authority Governor;~~
  - 7.1.2.4 one (1) Volunteer Governor.
  - 7.1.2.5 four (4) Local Authority Governors; and
  - ~~7.1.2.6 one (1) Combined Authority Governor; and~~
  - 7.1.2. ~~6~~<sup>7</sup> one (1) Other Partnership Governor.
- 7.1.3 The Council of Governors shall nominate a **Governor to be the Trust's** Lead Governor.

### 7.2 Governor Elections

- 7.2.1 Elected Governors shall be chosen by election by their Constituency or, where there are classes within a Constituency, by their class within that Constituency. The number of Governors to be elected by each Constituency or, where appropriate, by each class of each Constituency, is as set out in Annexes 1 and 2.

7.2.2 Elections for Elected Governors shall be conducted in accordance with the Model Election Rules First Past the Post system which include provisions for the use of e-voting systems.

7.2.3 The Model Election Rules, including the specified forms of and periods for declarations to be made by candidates standing for office and Members as a condition of voting and the process if the election is uncontested, are set out in Annex 3.

7.2.4 A subsequent variation to the Model Election Rules to reflect a change by NHS Providers shall not constitute a variation of the terms of this Constitution for the purposes of paragraph 20.1.

7.2.5 The Model Election Rules provide for arrangements to be made to assist those persons requiring assistance to vote.

7.2.6 Members:

7.2.4.1 standing for; and/or

7.2.4.2 voting in.

Governor elections must comply with the terms of the Model Election Rules.

7.2.7 Where an election is contested, the election shall be by secret ballot.

### 7.3 Public Governors

7.3.1 Each Public Constituency shall elect the number of Governors set against it in column 4 of Annex 1.

7.3.2 Members of each Public Constituency may elect any of their number who is eligible to be a Public Governor.

7.3.3 An individual may not stand for election to the Council of Governors as a Public Governor unless:

7.3.3.1 within the period specified in paragraph 12 of the Model Election Rules (Annex 3), they have made a declaration in the form specified in that part of that annex of their qualification to vote as a Member of the Public Constituency Class for which the election is being held; and

7.3.3.2 they are not prevented from being a member of the Council of Governors by paragraph 7.12 (Suspension and disqualification).

7.3.4 It is an offence for any Member to knowingly or recklessly make such a declaration as is referred to in paragraph 7.3.3.1 which is false in a material particular.

### 7.4 Staff Governors

- 7.4.1 Members of the Staff Constituency may elect the number of Governors for that Staff Class as set out in Annex 2.
- 7.4.2 Members of the Staff Constituency may elect any individual who is eligible to be a Staff Governor in respect of the relevant Staff Constituency.
- 7.5 ~~PBP Governors~~Not used
- ~~7.5.1 The PBP may appoint 1 PBP Governor (such person must be eligible to be, and not disqualified from being, a Governor under this Constitution) pursuant to a process agreed between the PBP and the Trust.~~
- 7.6 Volunteer Governor
- 7.6.1 The Sherwood Forest Volunteers will appoint 1 Governor (such person must be eligible to be, and not disqualified from being, a Governor under this Constitution) pursuant to a process agreed between the Sherwood Forest Volunteers and the Trust.
- 7.7 Local Authority and Combined Authority Governors
- 7.7.1 Each of the Local Authorities and the Combined Authority may appoint one Local/Combined (as applicable) Authority Governor (such person must be eligible to be, and not disqualified from being, a Governor under this Constitution) by notice in writing signed by:
- 7.7.1.1 the leader of the relevant council.
- 7.7.1.2 or a member of the **relevant council's/authority's** executive and delivered to the Director of Corporate Affairs Trust Secretary.
- 7.8 Other Partnership Governors
- 7.8.1 The Other Partnership Organisation may appoint one Other Partnership Governor (such person being eligible to be, and not disqualified from being, a Governor under this Constitution) as set out. West Nottinghamshire College may appoint its Other Partnership Governor by notice in writing signed by the principal of West Nottinghamshire College and delivered to the Director of Corporate Affairs Trust Secretary.
- 7.9 Transition arrangements
- 7.9.1 Where an Elected Governor ceases to be eligible to hold the office to which they were elected by virtue of paragraphs 6.2 or 6.3 that Elected Governor shall immediately notify the Director of Corporate Affairs Trust Secretary of the circumstances giving rise to their ineligibility.
- 7.9.2 Where the Director of Corporate Affairs Trust Secretary receives notice from an Elected Governor, pursuant to paragraph 7.8.1, that they believe they are no longer eligible to hold office (or the Director of Corporate Affairs Trust Secretary otherwise becomes aware that the

Elected Governor is no longer eligible to hold office) the Director of Corporate Affairs Trust Secretary shall notify the Elected Governor that their position is suspended with immediate effect and shall ask the Governor if they:

7.9.2.1 wish to stand down as a Governor: and

7.9.3 Where the Elected Governor confirms in writing they:

7.9.3.1 will stand down as a Governor, such resignation shall take effect immediately.

## 7.10 Terms of Office

7.10.1 Elected Governors:

7.10.1.1 shall be elected for a period of 3 years.

7.10.1.2 are, subject to paragraphs 7.10.1.3 and 7.10.1.4 eligible for re-election at the end of the period referred to in paragraph 7.10.1.1.

7.10.1.3 may hold office for a maximum of 9 years ~~but in exceptional circumstances (as determined by the Council of Governors) may serve longer than 9 years, but any extension beyond 9 years will be subject to annual re-election and, in any event, they shall not serve for a total term longer than 12 years;~~ and

7.10.2 Appointed Governors:

7.10.2.1 shall be appointed for a period of 3 years.

7.10.2.2 are, subject to paragraphs 7.10.2.3 and 7.10.2.4 eligible for reappointment at the end of the period referred to in paragraph 7.10.2.1.

7.10.2.3 may hold office for a maximum of 9 years ~~but in exceptional circumstances (as determined by the Council of Governors) may serve longer than 9 years, but any extension beyond 9 years will be subject to annual re-appointment and, in any event, they shall not serve for a total term longer than 12 years;~~ and

7.10.2.4 shall cease to hold office if their appointing organisation withdraws its appointment of them or in any other situation specified in this Constitution.

7.10.2.5 **Governors must comply with the Trust's:**

7.10.2.5.1 Constitution.

7.10.2.5.2 Standing Orders for the Council of Governors.

7.10.2.5.3 Code of Conduct for Governors; and

#### 7.10.2.5.4 Policies.

### 7.11 Termination of Tenure

7.11.1 A Governor may resign from office at any time during the term of office by giving notice in writing to the Director of Corporate Affairs ~~Trust Secretary~~ or the Chair.

#### 7.11.2 A Governor's tenure:

7.11.2.1 shall be terminated immediately if a Governor fails to attend two consecutive meetings of the Council of Governors, unless a majority of the other Governors are satisfied that:

- (a) the absence was due to a reasonable cause; and
- (b) they will be able to start attending meetings of the Council of Governors again within such a period as they consider reasonable.

7.11.2.2 shall be terminated immediately if the Council of Governors decide (by a majority of the other Governors) that a Governor has:

- (a) failed to comply with paragraph 7.12.3; (except where the Council of Governors decide that termination of tenure would not be appropriate in the circumstances);
- (b) conducted themselves in an inappropriate manner which would adversely affect public confidence in the Trust or the Council of Governors; or
- (c) conducted themselves in such a manner as is likely to bring the Trust into disrepute including, but without prejudice to the generality of the foregoing, a failure to declare a material or pecuniary interest which would or would be likely to result in a conflict of interest.

The Council of Governors may request that the **CoG's** Nominations Committee investigates any matter which would give rise to them exercising their powers in paragraph 7.11.2 and to receive the representations of the relevant Governor and any representative appointed by them for that purpose except to the extent that the Code of Conduct for Governors provides a procedure for the same in which case such procedure must be followed.

Any engagement of the Council of Governor's Remuneration and Nominations Committee pursuant to paragraph 7.11.2 shall make such report and recommendations to the Council of Governors as it deems fit and shall, as far as practicable, submit any report and recommendations to the Council of Governors within 4 months of commencing their investigation.

## 7.12 Suspension and disqualification from office

### 7.12.1 Where a Staff Governor has been:

7.12.1.1 made the subject of a written warning or a period of suspension in excess of 28 days: or

7.12.1.2 absent from their post as an employee of the Trust for a continuous period of not less than four months and no reasonable cause (in the opinion of the Council of Governors acting by simple majority) has been given for absence.

their term of office as Governor may be suspended by the Council of Governors for such period of time as the Council of Governors deems fit and so as to enable, if necessary, an investigation to be carried out to determine whether or not the tenure of that Staff Governor should then be terminated. The Staff Governor in question may submit reasons to the Council of Governors as to why they should still be eligible to continue as a Staff Governor and the Council of **Governors shall decide whether to terminate the Governor's term of office** and such determination of the Council of Governors shall be final.

### 7.12.2 An individual is immediately disqualified from becoming or continuing to hold office as a Governor if they:

7.12.2.1 have been adjudged bankrupt or their estate has been sequestrated and in either case he has not been discharged.

7.12.2.2 are a person in relation to whom a moratorium period under a debt relief order applies (under Part 7A of the Insolvency Act 1986);

7.12.2.3 have made a composition or arrangement with, or granted a trust deed for, their creditors and has not been discharged in respect of it;

7.12.2.4 have within the preceding five years been convicted in the British Islands of any offence and a sentence of imprisonment (whether suspended or not) for a period of three months or more (without the option of a fine) was imposed on them.

7.12.2.5 have within the preceding three years been dismissed (including, but not limited to, by reason of redundancy) by the Trust.

7.12.2.6 are under 16 years of age.

7.12.2.7 are an individual whose tenure of office as the Chair or as a member or director of a Health Service Body has been terminated on the grounds that their appointment is not in the interest of the health service, for non-attendance at meetings or for non-disclosure of a pecuniary interest;

- 7.12.2.8 are an Executive or Non-Executive Director, Governor, , Chair, Chief Executive Officer of another NHS foundation trust.
- 7.12.2.9 has had their name removed from any list prepared pursuant to paragraph 14 of the National Health Service (Performers List) Regulations 2013 or section 151 of the 2006 Act (or similar provision elsewhere) and has not subsequently had their name included in such a list.
- 7.12.2.10 are incapable by reason of mental disorder, illness or injury of managing and administering their property and affairs.
- 7.12.2.11 are registered as a sex offender pursuant to Part 1 of the Sex Offenders Act 1997.
- 7.12.2.12 has been identified and given notice in writing by the Chief Executive to the effect that they are a vexatious complainant in respect of the Trust;
- 7.12.2.13 is a member of Healthwatch; or
- 7.12.2.14 has contravened any other provision of this Constitution.
- 7.12.3 An individual is disqualified from becoming or continuing to hold office as a Public Governor if:
  - 7.12.3.1 they cease to be a Member of a Public Constituency; or
  - 7.12.3.2 they are eligible to be a Member of the Staff Constituency.
- 7.12.4 An individual is disqualified from becoming or continuing to hold office as a Staff Governor if:
  - 7.12.4.1 they cease to be a Member of the Staff Constituency; or
  - 7.12.4.2 they are employed by the Trust on a temporary contract which contract is or was identified on the face of it as a temporary contract.
- 7.12.5 An individual is disqualified from becoming or continuing to hold office as an Appointed Governor if the relevant appointing organisation withdraws its appointment of him.
- 7.12.6 If an Elected or Appointed Governor ceases to be eligible to hold such office because grounds for disqualification exist pursuant to paragraph 7.12 (other than under paragraph 7.12.1 and paragraph 7.11.2), they shall immediately notify the Director of Corporate Affairs Trust Secretary in writing of the circumstances.
- 7.12.7 If the Trust is on notice that a Governor may no longer be eligible to be a Governor, the Trust shall carry out such reasonable enquiries as it considers necessary to establish if this is the case and shall invite the Governor concerned to comment on its findings (within 14 days) and following receipt of any comments or expiry of that 14 day period

(whichever occurs first) the Council of Governors shall decide whether such Governor's **term** of office should be terminated.

## 7.13 Consequences of termination of tenure

### 7.13.1 Where a Governor:

7.13.1.1 has given notice of resignation in accordance with paragraph 7.11.1.

7.13.1.2 has had their term of office terminated pursuant to the terms of this Constitution in any manner whatsoever; or

7.13.1.3 is otherwise disqualified from holding office pursuant to the Constitution or the 2006 Act,

that Governor shall thereupon cease to be a Governor and their name shall be forthwith removed from the Register of Governors.

7.13.2 A Governor who resigns or whose tenure of office is terminated shall not be eligible to stand for re-election for a period of three years from the date of their resignation or termination of office.

## 7.14 Vacancies

7.14.1 **Where a Governor's tenure of office ceases for one or more of the reasons set out in paragraph 7.11 or 7.12, in the case of:**

7.14.1.1 Public Governors and Staff Governors, such vacancy shall, subject to provisions of paragraphs 7.14.2, be filled by elections held in accordance with the Model Election Rules set out in Annex 3: and

7.14.1.2 ~~the PBP Governor~~, the Local Authority Governors, ~~the Combined Authority Governor~~, the Partnership Governor and the Volunteer Governor shall be replaced in accordance with the processes set out in paragraphs 7.5 - 7.8.

7.14.2 Where a vacancy arises amongst the Elected Governors for any reason (including, for the avoidance of doubt, an increase in the number of Elected Governors effected by an amendment to the Constitution in accordance with paragraph 20.1 below) other than the expiry of the term of office, the Council of Governors shall decide either:

7.14.2.1 to call an election within three months to fill the vacancy, unless an election is due within nine months in which case the seat shall stand vacant until the following scheduled election.

7.14.2.2 to invite the next highest polling candidate in the relevant constituency at the most recent election who is willing to take office, to fill the vacancy, provided that the candidate achieved at least 5% of the vote in the last held election for the relevant constituency and, where appropriate, class (the "Reserved Governor"). If the vacancy is filled in this way,



the Reserved Governor shall be eligible for re-election for a further two full three-year terms; or

7.14.2.3 to leave the seat vacant until the next scheduled elections are held.

except that if the aggregate number of Public Governors does not exceed half the total membership of the Council of Governors an election will be held in accordance with the Model Election Rules as soon as reasonably practicable.

## 7.15 Roles and Responsibilities of Governors

7.15.1 The general duties of the Council of Governors are:

7.15.1.1 to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors; and

7.15.1.2 to represent the interests of the Members of the Trust as a whole and the interests of the public.

The Trust must take steps to secure that its Governors are equipped with the skills and knowledge they require to carry out their role as a Governor.

7.15.2 The roles and responsibilities of the Governors (in addition to any roles and responsibilities set out elsewhere in this Constitution) are:

7.15.2.1 at a General Meeting:

(a) to appoint or remove the Chair and the other Non-Executive Directors as further set out in the Standing Orders for the Council of Governors. The removal of the Chair or a Non-Executive Director requires the approval of three-quarters of the members of the Council of Governors.

(b) to approve the appointment (by the Non-Executive Directors) of the Chief Executive as further set out in the Standing Orders for the Council of Governors.

(c) to decide the remuneration and allowances, and other terms and conditions of office of the Non-Executive Directors.

(d) **to appoint or remove the Trust's Auditor; and**

(e) to be presented with the Annual Accounts, any report of the Auditor on them and the Annual Report.

7.15.2.2 to give the views of the Council of Governors to the Board of Directors for the purposes of the preparation by the Board of Directors of the document containing the information to be given to the NHSE **as to the Trust's** forward planning in respect of each Financial Year.

- 7.15.2.3 to consider the Annual Accounts, any report of the Auditor on them and the Annual Report.
- 7.15.2.4 to respond as appropriate when consulted by the Directors in accordance with this Constitution; and
- 7.15.2.5 to represent the interests of Members and the Other Partnership Organisations in the governance of the Trust, regularly feeding back information about the Trust, its vision and its performance to the Constituency or Other Partnership Organisation they represent. and
- 7.15.2.6 to hold the Non-executives accountable for the monitoring of the activities of Executive Directors who have wider roles across the local health system, to ensure focus on the strategic objectives of the Trust and alignment with the strategic objectives of the local health system.

## 7.16 Council of Governors - Further Provisions

### 7.16.1 Expenses

- 7.16.1.1 Governors are entitled to receive re-imbursement for travelling and other expenses incurred and evidenced by **receipts in accordance with the Trust's expenses policy** at such rates as the Trust decides from time to time.
- 7.16.1.2 The Trust shall publish the rates referred to in paragraph 7.16.1.1 in the Annual Report.

### 7.16.2 Remuneration

Governors are not entitled to receive remuneration for their role.

### 7.16.3 Meetings

Meetings of the Council of Governors shall be conducted in accordance with the provisions of the Standing Orders for the Council of Governors as set out in Annex 5.

Meetings of the Council of Governors shall be chaired by the Chair or in their absence the Vice Chair. If the Vice Chair is also unavailable the meeting shall be chaired by such person as is chosen in accordance with the Standing Orders for the Council of Governors.

The Council of Governors is to meet at least four times per year, including an annual meeting no later than 30 September in each year where the Council of Governors shall receive and consider the annual accounts, any report of the auditor on them and the annual report.

The Council of Governors may require one or more of the Directors to attend a meeting for the purposes of obtaining information about the **Trust's performance of its functions or the Directors' performance of their duties** (and deciding whether to **propose a vote on the Trust's or**

**Directors' performance).** Unless otherwise agreed, at least five working **days' notice of the meeting must be provided.**

Meetings of the Council of Governors shall be open to members of the public, but members of the public may be excluded from a meeting for special reasons.

No defect in the election or appointment of a Governor nor any deficiency in the composition of the Council of Governors shall affect the validity of any act or decision of the Council of Governors.

#### 7.16.4 Committees and Sub-Committees

The Council of Governors may appoint committees and sub-committees in accordance with the provisions of the Standing Orders for the Council of Governors.

The Council of Governors cannot delegate its powers to any committee or sub-committee.

#### 7.16.5 Conflicts of Interests of Governors

If a Governor has a pecuniary, personal or family interest, whether that interest is actual or potential and whether that interest is direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Council of Governors, the Governor shall disclose that interest to the members of the Council of Governors as soon as they become aware of it.

The Standing Orders of the Council of Governors shall make provision for the disclosure of interests and arrangements for the exclusion of a Governor declaring any interest from any discussion or consideration of the matter in respect of which an interest has been disclosed and Governors shall comply with the provisions of the Standing Orders for the Council of Governors.

#### 7.16.6 Referral to the Panel

A Governor may refer a question as to whether the Trust has failed or is failing.

7.16.6.1 to act in accordance with the Constitution; or

7.16.6.2 to act in accordance with provision made by or under Chapter 5 of the 2006 Act.

to the Panel only if more than half of the members of the Council of Governors voting approve the referral.

In this paragraph, the Panel means a panel of persons appointed by NHSE to which a Governor of the Trust may refer a question

#### 7.16.7 Engagement Policy

The Governors and Directors shall observe the terms of the Engagement Policy in relation to their engagement with each other on matters concerning the Trust.

## 8 Board of Directors

8.1 The Trust shall have a Board of Directors which shall consist of Executive and Non-Executive Directors.

8.2 The Board of Directors shall comprise the following:

8.2.1 the Chair (a Non-Executive Director);

8.2.2 at least 5 other Non-Executive Directors;

8.2.3 the Chief Executive (an Executive Director);

8.2.4 the Chief Finance Officer (an Executive Director); and

8.2.5 at least 2 other Executive Directors but subject to the provisions of paragraph 8.4

8.3 One of the Executive Directors is to be:

8.3.1 a Registered Medical Practitioner or Registered Dentist; and

8.3.2 a Registered Nurse or Registered Midwife.

8.4 At all times the composition of the Board of Directors shall be such that the number of Voting Executive Directors is less than the number of Non-Executive Directors.

8.5 Appointment and removal of Non-Executive Directors and Executive Directors.

8.5.1 Appointment and removal of Non-Executive Directors.

8.5.1.1 The Council of Governors, at a general meeting of the Council of Governors, shall appoint and remove the Chair and other Non-Executive Directors;

8.5.1.2 The Council of Governors, at a general meeting of the Council of Governors shall appoint one of the Non-Executive Directors as Vice Chair;

8.5.1.3 The Council of Governors shall establish the **CoG's Remuneration and** Nominations Committee (comprising the Chair, four Public Governors, one Staff Governor and one Appointed Governor) to consider candidates for appointment as Non-Executive Directors against an agreed job specification.

8.5.1.4 The **CoG's Remuneration and** Nominations Committee shall shortlist from those candidates meeting the specified criteria, those candidates whom it wishes to interview and shall conduct interviews with the said candidates and thereafter make its recommendation to the Council of

Governors as to who should be appointed as a Non-Executive Director.

8.5.1.5 The Council of Governors shall consider the recommendation of the **CoG's [Remuneration and](#)** Nominations Committee and make a decision as to the appointment of the Non-Executive Directors in general meeting.

8.5.1.6 An individual shall not be appointed as a Non-Executive Director unless they are a member of the Public Constituency.

8.5.1.7 The removal of a Non-Executive Director shall require the approval of three-quarters of the members of the Council of Governors.

#### 8.5.2 Appointment and removal of Executive Directors

8.5.2.1 It is for the Chair and the other Non-Executive Directors to appoint (subject to the approval of the Council of Governors) or remove the Chief Executive.

8.5.2.2 It is for a committee consisting of the Chair, the Chief Executive and the other Non-Executive Directors to appoint or remove the Executive Directors (other than the Chief Executive).

### 8.6 Terms of Office

8.6.1 Subject to paragraph 8.6.3, the Chair and the other Non-Executive Directors are to be appointed for a period of office in accordance with the terms and conditions of office (including as to remunerations and allowances, which shall be published in the Annual Report) decided by the Council of Governors in general meeting.

8.6.2 The Executive Directors shall hold offices for a period in accordance with the terms and conditions of office (including as to remunerations and allowances) decided by the relevant committee of Non-Executive Directors.

8.6.3 Non-Executive Directors:

8.6.3.1 shall be appointed for a period of up to 3 years;

8.6.3.2 are, subject to paragraphs 8.6.3.3 and 8.6.3.4 eligible for re-election at the end of the period referred to in paragraph 8.6.3.1.

8.6.3.3 shall not, except in exceptional circumstances, hold office for a period in excess of 6 years; and

8.6.3.4 where appointed for more than 6 years shall, at the discretion of the Council of Governors, be so appointed either on the basis of:

- a) annual re-appointment; or
- b) a competitive process up to a maximum 9 years.

**8.6.4 The Directors shall comply with the Trust's:**

8.6.4.1 Constitution.

8.6.4.2 Standing Orders for the Board of Directors;

8.6.4.3 Code of Conduct for Directors; and

8.6.4.4 Policies.

**8.7 Disqualification**

8.7.1 An individual may not become or continue as a Director of the Trust if:

- 8.7.1.1 they have been adjudged bankrupt or their estate has been sequestrated and in either case they have not been discharged.
- 8.7.1.2 they are a person in relation to whom a moratorium period under a debt relief order applies (under Part 7A of the Insolvency Act 1986);
- 8.7.1.3 they have made a composition or arrangement with, or granted a trust deed for, their creditors and has not been discharged in respect of it.
- 8.7.1.4 they have within the preceding five years been convicted in the British Islands of any offence, and a sentence of imprisonment (whether suspended or not) for a period of three months or more (without the option of a fine) was imposed on them.
- 8.7.1.5 they are a person whose tenure of office as a Chair or as a member or director of a Health Service Body has been terminated on the grounds that their appointment is not in the interests of public service, for non-attendance at meetings, or for non-disclosure of a pecuniary interest.
- 8.7.1.6 has had their name removed from any list prepared pursuant to paragraph 14 of the National Health Service (Performers List) Regulations 2013 or section 151 of the 2006 Act (or similar provision elsewhere) and has not subsequently had their name included in such a list.
- 8.7.1.7 they have within the preceding three years been dismissed, otherwise than by reason of redundancy or ill

health, from any paid employment with a Health Service Body.

- 8.7.1.8 NHSE has exercised its powers under the 2006 Act to:
- (a) remove that individual as a director of the Trust or any other NHS foundation trust within its jurisdiction.
  - (b) suspend them from office; or
  - (c) disqualify them from holding office as a director of the Trust or of any other NHS foundation trust
- for a specified period.
- 8.7.1.9 they are incapable by reason of mental disorder, illness or injury of managing and administering their property and affairs.
- 8.7.1.10 they are registered as a sex offender pursuant to Part I of the Sex Offenders Act 1997.
- 8.7.1.11 they have been identified as a vexatious complainant in respect of the Trust and has been notified to that effect by notice in writing given by the Chief Executive; or
- 8.7.1.12 they have been unable to dedicate adequate time to the role and responsibilities of a Director of the Trust.
- 8.7.1.13 An individual may not be a Non-Executive Director if they cease to be a member of the Public Constituency.
- 8.7.1.14 The Board of Directors may in their discretion appoint a Committee of the Board of Directors to enquire into any such matter as may be raised in connection with paragraph 8.7.1 above in accordance with terms of reference as determined by the Board of Directors and to make recommendations to the Board of Directors in respect thereof.

## 8.8 Duties, Roles and Responsibilities

- 8.8.1 The general duty of the Board of Directors and of each Director individually, is to act with a view to promoting the success of the Trust so as to maximise the benefits for the Members of Trust as a whole and for the public.
- 8.8.2 The Directors, having regard to the views of the Council of Governors, are **to prepare the information as to the Trust's forward planning in respect of** each Financial Year to be given to the NHSE.
- 8.8.3 The Directors are to present to the Council of Governors at a general meeting the Annual Accounts, any report of the Auditor on them and the Annual Report.

8.8.4 The Board of Directors shall appoint an audit committee of Non-Executive Directors to monitor, review and carry out such other functions in relation to audit as are appropriate.

8.8.5 The functions of the Trust under paragraph 14 are delegated to the Chief Executive as accounting officer.

## 9 Meetings of Directors

9.1 Meetings of the Board of Directors shall be conducted in accordance with the provisions of the Standing Orders for the Board of Directors which are set out in Annex 4.

9.2 Meetings of the Board of Directors shall be open to members of the public. Members of the public may be excluded from a meeting for special reasons.

9.3 Before holding a meeting, the Board of Directors must send a copy of the agenda of the meeting to the Council of Governors.

9.4 As soon as practicable after holding a meeting, the Board of Directors must send a copy of the minutes of the Board of Directors meeting to the Council of Governors.

## 10 Conflicts of Interest of Directors

10.1 The duties that a Director has by virtue of being a Director include in particular:

10.1.1 a duty to avoid a situation in which the Director has (or can have) a direct or indirect interest that conflicts (or possibly may conflict) with the interests of the Trust; and

10.1.2 a duty not to accept a benefit from a third party by reason of being a Director or doing (or not doing) anything in that capacity.

10.2 The duty referred to in sub-paragraph 10.1.1 is not infringed if:

10.2.1 the situation cannot reasonably be regarded as likely to give rise to a conflict of interest; or

10.2.2 the matter has been authorised in accordance with the Constitution.

10.3 The duty referred to in sub-paragraph 10.1.2 is not infringed if acceptance of the benefit cannot reasonably be regarded as likely to give rise to a conflict of interest.

10.4 In sub-paragraph 10.1.2, **“third party” means a person other than:**

10.4.1 the Trust; or

10.4.2 a person acting on its behalf.

10.5 If a Director has in any way a direct or indirect interest in a proposed transaction or arrangement with the Trust, the Director must declare the nature and extent of that interest to the other Directors. If a declaration under this paragraph proves to be, or becomes, inaccurate, incomplete, a further declaration must be made.



- 10.6 Any declaration required by this paragraph must be made before the Trust enters into the transaction or arrangement.
- 10.7 This paragraph does not require a declaration of an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question.
- 10.8 A Director need not declare an interest:
  - 10.8.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest.
  - 10.8.2 if, or to the extent that, the Directors are already aware of it.
  - 10.8.3 **if, or to the extent that, it concerns terms of the Director's** appointment that have been or are to be considered:
    - 10.8.3.1 by a meeting of the Board of Directors, or
    - 10.8.3.2 by a committee of the Directors appointed for the purpose under the Constitution.
- 10.9 Directors shall comply with the provisions of the Standing Orders for the Board of Directors in relation to the declaration and management of conflicts of interests.

## 11 Registers

- 11.1 The Trust is to have:
  - 11.1.1 a register of Members showing, in respect of each Member, the Constituency and where there are classes within it, the class to which they belong.
  - 11.1.2 a register of members of the Council of Governors.
  - 11.1.3 a register of interests of the members of the Council of Governors.
  - 11.1.4 a register of Directors; and
  - 11.1.5 a register of interests of the Directors.
- 11.2 The Director of Corporate Affairs ~~Trust Secretary~~ shall admit to the:
  - 11.2.1 Register of Members the name, Constituency and class of Constituency of a Member upon receipt of a signed declaration from the Member confirming their eligibility as a Member.
  - 11.2.2 Register of Governors the name and Constituency (and where relevant class within the Constituency) of those Members who have been elected or appointed as a Governor of the Trust.
- 11.3 The Director of Corporate Affairs ~~Trust Secretary~~ shall remove from the:
  - 11.3.1 Register of Members any Member:

- 11.3.1.1 who is not, or who is no longer, eligible to be a Member.
- 11.3.1.2 indicates in writing that they no longer wish to be a Member; or
- 11.3.1.3 has died, upon receipt of a notice to that effect from the **Member's next of kin or personal** representative.

11.3.2 Register of Governors those Governors:

- 11.3.2.1 who have not been re-elected.
- 11.3.2.2 who have had their appointment withdrawn.
- 11.3.2.3 whose tenure of office as Governors has been terminated; or
- 11.3.2.4 who are otherwise disqualified from office.

- 11.4 The ~~Director of Corporate Affairs Trust Secretary~~ shall maintain the respective Registers of Interests of the Directors and Governors and undertake a review of the same at least once in every year by notice to that effect to all Directors and Governors.

## 12 Public Documents

- 12.1 The following documents of the Trust are to be available for inspection by members of the public free of charge at all reasonable times:

- 12.1.1 a copy of the current Constitution.
- 12.1.2 a copy of the latest Annual Accounts and of any report of the Auditor on them.
- 12.1.3 a copy of the latest Annual Report.

- 12.2 The Trust shall also make the following documents relating to a special administration of the Trust available for inspection by members of the public free of charge at all reasonable times:

- 12.2.1 a copy of any order made under section 65D (appointment of trust special administrator), 65J (power to extend time), 65KC (action **following Secretary of State's rejection of final report**), 65L (trusts coming out of administration) or 65LA (trust to be dissolved) of the 2006 Act.
- 12.2.2 a copy of any report laid under section 65D (appointment of trust special administrator) of the 2006 Act.
- 12.2.3 a copy of any information published under section 65D (appointment of trust special administrator) of the 2006 Act.
- 12.2.4 a copy of any draft report published under section 65F **(administrator's draft report) of the 2006 Act**.
- 12.2.5 a copy of any statement provided under Section 65F (administrators draft report) of 2006 Act.

- 12.2.6 a copy of any notice published under section 65F (administrator's draft report), 65G (consultation plan), 65H (consultation requirements), 65J (power to extend time), 65KA (Regulator's decision), **65KB (Secretary of State's response to Regulator's decision), 65KC (action following Secretary of State's rejection of final report) or 65KD (Secretary of State's response to re-submitted final report)** of the 2006 Act.
- 12.2.7 a copy of any statement published or provided under section 65G (consultation plan) of the 2006.
- 12.2.8 a copy of any statement published or provided under section 65G (consultation plan) of the 2006 Act.
- 12.2.9 a copy of any final report published under section 65I (administrators final report) of the 2006 Act.
- 12.2.10 a copy of any statement published under section 65J (power to extend **time) or 65KC (action following Secretary of State's rejection of final report)** of the 2006 Act.
- 12.2.11 a copy of any information published under section 65M (replacement of trust special administrator) of the 2006 Act.
- 12.3 Any person who requests it shall be provided with a copy or extract from any of the above documents.
- 12.4 The registers mentioned in paragraph 11.1 above are also to be made available for inspection by members of the public, except in circumstances prescribed by regulations made under the 2006 Act, and so far as those registers are required to be available:
  - 12.4.1 they are to be available free of charge at all reasonable times; and
  - 12.4.2 a person who requests shall be provided with a copy of or extract from them.
- 12.5 The Trust shall not make any part of its register available for inspection by members of the public which show details of any Member of the Trust if the Member so requests.
- 12.6 If the person requesting a copy or extract of a register or a document referred to in this paragraph 12 above is not a Member of the Trust, the Trust may impose a reasonable charge for providing the copy or extract.
- 13 Auditor
  - 13.1 The Trust is to have an Auditor and is to provide the Auditor with every facility and all information which they may reasonably require for the purposes of their functions under Chapter 5 of Part 2 to the 2006 Act.
  - 13.2 An individual may only be appointed Auditor if they (or in the case of a firm each of its members) is a member of one or more of the bodies referred to in paragraph 23 (4) of Schedule 7 to the 2006 Act.

- 13.3 Appointment of the Auditor by the Council of Governors is covered in paragraph 7.15.
  - 13.4 The Auditor is to carry out their duties in accordance with Schedule 10 to the 2006 Act and in accordance with any directions given by the NHSE on standards, procedures and techniques to be adopted.
- 14 Accounts
- 14.1 The Trust must keep proper accounts and proper records in relation to the accounts.
  - 14.2 The NHSE may with the approval of the Secretary of State give directions to the Trust as to the content and form of its accounts.
  - 14.3 **The accounts are to be audited by the Trust's Auditor.**
  - 14.4 The following documents will be made available to the Comptroller and Auditor General for examination at their request:
    - 14.4.1 the accounts.
    - 14.4.2 the records relating to them; and
    - 14.4.3 any report of the Auditor on them.
  - 14.5 If trustees are appointed under section 51 of the 2006 Act, the Comptroller and the Auditor General may also examine:
    - 14.5.1 the accounts kept by the Trustees.
    - 14.5.2 any records relating to them; and
    - 14.5.3 any report of an auditor on them.
  - 14.6 The Trust shall prepare in respect of each Financial Year, Annual Accounts in such form as the NHSE may with the approval of the Secretary of State direct.
  - 14.7 The function of the Trust with respect to the preparation of the Annual Accounts shall be delegated to the Accounting Officer.
  - 14.8 In preparing its Annual Accounts, the Trust is to comply with any directions given by the NHSE with the approval of the Secretary of State as to:
    - 14.8.1 the period or periods in respect of which the Trust shall prepare accounts; and
    - 14.8.2 the audit requirements of any such accounts.
  - 14.9 the Trust must:
    - 14.9.1 lay a copy of the Annual Accounts, and any report of the Auditor on them, before Parliament; and
    - 14.9.2 once it has done so, send copies of those documents to the NHSE within such a period as the NHSE may direct.

- 14.10 The Trust must send to the NHSE within such period as the NHSE may direct:
  - 14.10.1 a copy of any accounts prepared by the Trust by virtue of paragraph 25(1A)(a) of the 2006 Act; and
  - 14.10.2 a copy of any report of an auditor on them prepared by virtue of 25(1A) (b).
- 15 Annual Reports, Forward Plans and Non-NHS Work
  - 15.1 The Trust shall prepare an Annual Report and send it to the NHSE.
  - 15.2 The Annual Report shall contain:
    - 15.2.1 information on any steps taken by the Trust to secure that (taken as a whole) the actual membership of any public constituency is representative of those eligible for such membership.
    - 15.2.2 information on any occasions in the period to which the report relates on which the Council of Governors exercised its power under paragraph 7.15.
    - 15.2.3 information on the Trust's policy on pay and on the work of the Remunerations and Nominations committee and such other procedures as the Trust has on pay.
    - 15.2.4 the remuneration of the Directors and the expenses of the Governors and the Directors; and
    - 15.2.5 any other information the NHSE requires.
  - 15.3 The Trust is to comply with any decision the NHSE makes as to:
    - 15.3.1 the form of the Annual Reports.
    - 15.3.2 when the Annual Reports are to be sent to it.
    - 15.3.3 the periods to which the Annual Reports are to relate
  - 15.4 The Trust shall give information as to its forward planning in respect of each Financial Year to the NHSE. This information is to be prepared by the Directors, who must have regard to the views of the Council of Governors.
  - 15.5 Each forward plan must include information about -
    - 15.5.1 the activities other than the provision of goods and services for the purposes of the health service in England that the Trust proposes to carry on, and
    - 15.5.2 the income it expects to receive from doing so.
  - 15.6 Where a forward plan contains a proposal that the Trust carry on an activity of a kind mentioned in sub-paragraph 15.5.1 the Council of Governors must:
    - 15.6.1 determine whether it is satisfied that the carrying on of the activity will not to any significant extent interfere with the fulfilment by the

Trust of its principal purpose or the performance of its other functions, and

15.6.2 notify the Directors of the Trust of its determination.

15.7 If the Trust proposes to increase by 5% or more the proportion of its total income in any Financial Year attributable to activities other than the Principal Purpose referred to in paragraph 3 it may implement the proposal only if more than half of the members of the Council of Governors voting approve its implementation.

## 16 Mergers, Significant Transactions and other transaction requirements

16.1 The Trust may only apply for a merger, acquisition, separation or dissolution with the approval of more than half of the members of the Council of Governors.

16.2 The Trust may enter into a Significant Transaction only if more than half of the members of the Council of Governors voting approve entering into the transaction.

16.3 **“Significant Transaction” means:**

16.3.1 the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than 20% of the value of the **Trust’s gross assets before the** acquisition.

16.3.2 the disposition of, or an agreement to dispose of, whether contingent or not, assets of the Trust the value of which is more than 20% of the **value of the Trust’s gross assets before the** disposition; or

16.3.3 a transaction that has or is likely to have the effect of the Trust acquiring rights or interests or incurring obligations or liabilities, including contingent liabilities, the value of which is more than 20% of **the value of the Trust’s gross assets before** the transaction.

16.4 For the purpose of this paragraph 16:

16.4.1 **“Gross assets” means the total of fixed assets and current assets;**

16.4.2 in assessing the value of any contingent liability for the purposes of sub paragraph 16.3.3 the Directors:

16.4.2.1 must have regard to all circumstances that the Directors know, or ought to know, affect, or may affect, the value of the contingent liability; and

16.4.2.2 may rely on estimates of the contingent liability that are reasonable in the circumstances; and

16.4.2.3 may take account of the likelihood of the contingency occurring.

16.5 Where the Trust has a single requirement for goods, services or works, and a number of transactions are to be entered into to fulfil that requirement, the

value of the transaction for the purpose of paragraph 16.3 is the aggregate value of each of those transactions.

- 16.6 The Trust shall inform, as soon as is reasonably practicable, the Council of Governors of any transaction which it has approved which in its opinion is likely **to have a negative effect on the Trust's reputation.**

## 17 Indemnity

- 17.1 Members of the Council of Governors and Board of Directors who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their board functions, save where they have acted recklessly. Any costs arising in this way will be met by the Trust.

- 17.2 The Trust may make such arrangements as it considers appropriate for the provision of indemnity insurance or similar arrangement for the benefit of the Trust, Governors or Directors to meet all or any liabilities which are properly the liability of the Trust under paragraph 17.1.

## 18 Instruments and acts of the Trust etc.

- 18.1 **A document purporting to be duly executed under the Trust's seal or to be signed on its behalf is to be received in evidence and, unless the contrary is proved, taken to be so executed or signed.**

- 18.2 The Trust is to have a seal, but this is not to be affixed except in accordance with the provisions of the Standing Orders for the Board of Directors.

- 18.3 The validity of any act of the Trust is not affected by any vacancy among the Directors or by any defect in the appointment of any Director.

## 19 Engagement

- 19.1 The Trust has adopted an Engagement Policy for matters relating to interaction between the Council of Governors and the Board of Directors.

## 20 Amendment of the Constitution

- 20.1 This Constitution may only be amended with the approval of:

20.1.1 more than half of the members of the Board of Directors voting; and

20.1.2 more than half of the members of the Council of Governors voting.

- 20.2 Amendments made under paragraph 20.1 take effect as soon as the conditions in that paragraph are satisfied, but the amendment has no effect in so far as the constitution would, as a result of amendment, not accord with Schedule 7 of the 2006 Act.

- 20.3 Where an amendment is made to the Constitution in relation to the powers or duties of the Council of Governors (or otherwise with respect to the role that the Council of Governors has as part of the Trust):

20.3.1 at least one member of the Council of Governors must attend the next **Annual Members' Meeting and present the amendment; and**

- 20.3.2 the Trust must give the Members an opportunity to vote on whether they approve the amendment.
- 20.4 If more than half of the Members voting approve the amendment, the amendment continues to have effect; otherwise, it ceases to have effect and the Trust must take such steps as are necessary as a result.
- 20.5 The Trust shall inform the NHSE of any amendments to the Constitution.



# Annex 1: PUBLIC CONSTITUENCIES OF THE TRUST

NAME OF CONSTITUENCY	AREA	MINIMUM NUMBER OF MEMBERS	NUMBER OF GOVERNORS
<b>Mansfield, Ashfield and surrounding wards the Rest of the East Midlands</b>	<p>All Wards of Ashfield District Council, plus the Wards of:</p> <p>Newstead Abbey Ward</p> <p>from Gedling District Council</p> <p>All wards of Mansfield District Council, plus the Ward of Welbeck,</p> <p>from Bassetlaw District Council.</p> <p><del>Any area within an electoral constituency of the East Midlands region not covered above. In geographical terms, this covers the local authority districts across the rest of Nottinghamshire, Derbyshire, Rutland, Lincolnshire, Leicestershire, Northamptonshire</del></p>	50	<del>940</del> <u>9</u>

<p><u>Greater Newark &amp; Sherwood and surrounding wards</u> <del>Hospital</del> Constituency</p>	<p>All Wards of Newark &amp; Sherwood District Council, plus the Wards of:- Tuxford and Trent, from Bassetlaw District Council; <del>and</del> the Wards of: Loveden Heath from South Kesteven District Council; and the <u>Wards of Bingham North and Bingham South from Rushcliffe Borough Council.</u></p>	<p>50</p>	<p><u>45</u><del>4</del></p>
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<b><u>Rest of England</u></b>	<u>Any area within an electoral constituency in the rest of England, not covered by the constituencies above.</u>	<u>12</u>	<u>1</u>
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<b>Totals</b>	<b>Population</b>		
	<b>Minimum Membership</b>	<b>680</b>	
	<b>Public Governors</b>		<b>14</b>

\*Source: National Statistics (Nomis: [www.nomisweb.co.uk](http://www.nomisweb.co.uk))

## **Annex 2: Staff Constituency**

1. The minimum number of Members required for the Staff Constituency shall be: 950.
2. The Staff Constituency shall be entitled to elect three Governors:

## **Annex 3 – Model Election Rules**

| [Add link here](#)

## **Annex 4 – Board of Directors Standing Orders**

[Add link here](#)

## **Annex 5 – Council of Governors Standing Orders**

[Add link here](#)



**Council of Governors - Cover Sheet**

<b>Subject:</b>	Acting Chair's Objectives		<b>Date</b>	13 <sup>th</sup> August 2024	
<b>Prepared By:</b>	Barbara Brady, Non-Executive Director and Senior Independent Director and Liz Barrett, Lead Governor				
<b>Approved By:</b>	Barbara Brady and Liz Barrett				
<b>Presented By:</b>	Barbara Brady and Liz Barrett				
<b>Purpose</b>					
To seek approval from the Acting Chair's objectives and Personal Development Plan for 2024/5.			<b>Approval</b>	<b>X</b>	
			<b>Assurance</b>		
			<b>Update</b>		
			<b>Consider</b>		
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>Identify which Principal Risk this report relates to:</b>					
<b>PR1</b>	Significant deterioration in standards of safety and care				
<b>PR2</b>	Demand that overwhelms capacity				
<b>PR3</b>	Critical shortage of workforce capacity and capability				
<b>PR4</b>	Failure to achieve the Trust's financial strategy				
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation				
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits				
<b>PR7</b>	Major disruptive incident				
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change				
<b>Committees/groups where this item has been presented before</b>					
Council of Governors Remuneration Committee					
<b>Acronyms</b>					
COG. Council of Governors ICB Integrated Care Board ICS Integrated Care System FT. Foundation Trust NED. Non-Executive Director CEO. Chief Executive Officer PBP. Place Based Partnership EDI. Equality Diversity and Inclusion					
<b>Executive Summary</b>					
The Lead Governor and Senior Independent Director met with the Acting Chair in July to agree his objectives for the remainder of this year along with his Personal Development Plan. The Objectives were based on those previously agreed with the Chair, but revised to reflect the current operating context.					

## Acting Chair's Objective Setting 2024/25

As a result of Graham Ward recently stepping up into the position of 'Acting Chair' at SFHT (effective from the end of May) it was necessary to agree job objectives and a Personal Development Plan for Graham for the remainder of this financial year.

The lead Governor and I met with Graham to discuss and revise as appropriate the objectives that had previously been agreed with Claire Ward. The majority of these have remained the same, with revisions made to reflect the necessity to support the recruitment and effective handover to a substantive Chair over the course of the year, as well as Graham's particular expertise regarding the PFI agreement. In addition, a Personal Development Plan was agreed with Graham. Part 1 below details the Objectives for this year and part 2 his Personal Development Plan.

### Part 1 Chair's Objectives

Key Objective	Detail /Delivered Through
Chair the SFHT Board to become an outstanding Board	To hold to account directors and CEOs for the progress against the new Strategy
	Continue to connect board to ward and impact of decisions taken by Board
	Ensure there is greater focus and strategy to address Health Inequalities, to increase our focus on the Place Based Partnership.
	To provide opportunities for board to feed into the Provider Collaboration and ICS discussions
	Ensure all NEDs and special advisers have appraisal and personal development plan for 2025/26 prior to hand-over to new Chair (if handover after March 2025)
	To support the recruitment and hand-over to the new substantive Chair. Provide continual improvement for all NEDs
	Conduct a review of the effectiveness of the new committees by 31 <sup>st</sup> December 2024.
	To regularly meet with the EDI leads and consider how Board can support them
Leadership and support for Chief Executive and Executive team in order for them to be highly effective.	Provide support and counsel as a critical friend for the Acting Chief Executive, the Chief Executive and Executive Directors
	To develop strong links between relevant Executives and NEDs
Chair Council of Governors and ensure good	Enhanced engagement with governors and focus on their roles

governance by enabling them to carry out their roles effectively and efficiently.	To ensure the effectiveness of the governors and their ongoing engagement
	Ensure governance strengthens to accommodate system working implications.
Visible leadership across the Trust in order to reinforce our vision, strategy and culture of improvement	To support the transition to a new Chair before 24 <sup>th</sup> May 2025.
	To remain as the commercial lead NED, especially with respect to the PFI settlement and ongoing partnership.
	Participate in 15 steps walk about, etc.
	To maintain visible leadership throughout the organisation
Engage with external stakeholders in the Nottinghamshire system in order to secure better outcomes for our population	Develop opportunities to make tangible improvements in quality of care and value for money through our Provider Collaboration at scale
	Develop and embed relationships and opportunities to promote SFHT as an anchor institution supporting the community across education, training and as a key employer in the community, as part of the narrative of improving health through well-being.
	Build extended relationships with partners in Derbyshire in recognition of the two ICS being brought closer together.
	Through Provider collaborative develop a single voice to ensure effective feed into and out of System board
	Attend NHS Improvement and NHS Provider chairs events
	Ensure progress in our partnerships strategy through work of partnership and communities committee

## Part 2 Personal Development Plan

Description	Proposed approach	Timescales	Measure of success/anticipated benefit
Development of Chair role and experience	<ul style="list-style-type: none"> <li>• Mentor relationship with Hattie Llewelyn-Davies (Chair at Princess Alexandra Hospital NHS Trust)</li> <li>• Liaison with Chris Lawrence (Chair at QEHL)</li> <li>• Close working with other provider chairs in</li> </ul>	During Term of office	Effective chairing of SFH and delivery of objectives

	Nottinghamshire and Derbyshire		
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**Council of Governors meeting**

<b>Subject:</b>	Appointment of an Associate Non-Executive Director			<b>Date:</b>	13 <sup>th</sup> August 2024	
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Approved By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Presented By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Purpose</b>						
To seek the Council of Governors agreement to recruit a new Associate Non-Executive Director with experience of Research and Innovation on the recommendation of the Governor Remuneration and Nominations Committee.				<b>Approval</b>	<b>X</b>	
				<b>Assurance</b>		
				<b>Update</b>		
				<b>Consider</b>		
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	
<b>Principal Risk</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					<b>X</b>
<b>PR2</b>	Demand that overwhelms capacity					<b>X</b>
<b>PR3</b>	Critical shortage of workforce capacity and capability					<b>X</b>
<b>PR4</b>	Failure to achieve the Trust’s financial strategy					<b>X</b>
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					<b>X</b>
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					<b>X</b>
<b>PR7</b>	Major disruptive incident					<b>X</b>
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust’s impact on climate change					<b>X</b>
<b>Committees/groups where this item has been presented before</b>						
Governor Remuneration and Nominations Committee 23 <sup>rd</sup> July 2024						
<b>Acronyms</b>						
CoG = Council of Governors EMCRN = East Midlands Clinical Research Network						
<b>Executive Summary</b>						
The Trust Board received the presentation of the Research and Innovation Performance and Annual Strategy Update Report 2023/24 at its meeting held on 4 <sup>th</sup> April 2024. The report included the following <b>performance metrics</b> in relation to R&I activity:						
<ul style="list-style-type: none"><li>As at April 2024, 5840 participants recruited into research studies compared to 2745 this time last year.</li><li>69 studies on the SFH portfolio, two of which are commercial with two more in the pipeline awaiting approval.</li><li>Confirmed £441,181.66 EMCRN 6 months budget for 2024/25. Commercial income 2023/24 to date £71,337.48</li><li>91% of participants Agree/Strongly Agree their participation in research has been valued.</li><li>90% of participants would consider taking part in research again.</li></ul>						
The presentation also included an update on the Trust’s Research Strategy 2022-2027 focussed on the <b>Year 1&amp; 2 Priority Objectives</b> :						

**Progress:**

- 1.1 Collaboration with EMCRN and commercial sponsors to increase commercial research opportunities including those noted above and a further 19 commercial studies applied for.
- 1.2 Streamlined the set-up process for faster delivery. 100% of new studies opened.

**Place:**

- 2.1 Open a new Clinical Research Facility at Kings Mill Hospital in 2024 for early phase clinical trials of new drugs, devices, and diagnostics- New space identified.
- 2.2 Host the Nottinghamshire Mobile Research Unit to deliver place-based research in our community- Hosted on-site in November 2023 with plans to develop our own more accessible unit in the future to meet the priority guidelines, in providing research into hard-to-reach communities.

**People:**

- 3.1 Further develop the role of the Research Academy and research opportunities for SFH staff. 4 enrolled in the last 12 months.
- 3.2 Invest in our management workforce to ensure a sustainable future for research and future developments. Study support Manager post commenced in October 2023. Lead Clinical Academic Research NMAHP post commenced January 2024. Providing leadership for nurse, midwifery, and allied health professional-led research and the academic education agenda across the Trust.

**Partnerships:**

- 4.1 Increase academic and industry partnerships to maximise mutual benefits from collaboration. Evolve joint working with primary care- secured funding for SFH/primary care research link post.

As the Trust does not currently have a primarily Research focussed Non-Executive Director, the discussion also encompassed the potential for the recruitment of an additional Non-Executive Director with Research and Innovation experience to further strengthen the Board and support its Research Strategy in particular, noting in particular the enormous potential for research and innovation to support the mitigation of health inequalities and in the recruitment and retention of clinical staff for whom research initiatives and opportunities enhance the Trust's status as an employer of choice.

In order to facilitate recruitment amongst research professionals, particularly those without Board level experience, it was proposed to the Governor Remuneration and Nominations Committee that the Trust advertises for an Associate Non-Executive Director. The Associate NED role is a 'step up' position aimed to attract potential Non-Executive Director candidates who do not yet have sufficient board-level experience but otherwise have the knowledge and skills in the field of Research. Without a mandatory requirement for Board level experience, it was noted the opportunity would be open to a broader range of candidates. The need for the Board to support the developmental component to the opportunity to enable the successful candidate to build their personal and professional capability and bridge knowledge gaps, including around the NHS was also noted. It was recognised that ultimately this should equip the candidate to become a full non-executive director in the future and thereby contribute to succession planning.

It was pointed out that the Associate Non-Executive director remuneration will be set below that of the full Non-Executive Director roles (Currently £13K p.a.) to reflect the fact it is a developmental position.

Following discussion at the Governor Remuneration and Nominations Committee it was agreed to recommend the recruitment of a new Associate Non-Executive Director with a Research skillset to the Council of Governors at its meeting on 13<sup>th</sup> August 2024.

**Recommendation:** That the Council of Governors agrees to the recruitment of a new Associate Non-Executive Director with a Research skillset.

**Council of Governors Remuneration and Nomination Committee**

<b>Subject:</b>	Re-appointment of two Non-Executive Directors	<b>Date:</b>	13 <sup>th</sup> August 2024			
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Approved By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Presented By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Purpose</b>						
The Council of Governors is invited to consider the recommendation from the Governors' Remuneration and Nomination Committee held on 24 <sup>th</sup> July 2024, for the reappointment of Barbara Brady and Manjeet Gill as Non-Executive Directors.		<b>Approval</b>	<b>X</b>			
		<b>Assurance</b>				
		<b>Update</b>				
		<b>Consider</b>				
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	
<b>Principal Risk</b>						
<b>PR1</b>	Significant deterioration in standards of safety and care					<b>X</b>
<b>PR2</b>	Demand that overwhelms capacity					<b>X</b>
<b>PR3</b>	Critical shortage of workforce capacity and capability					<b>X</b>
<b>PR4</b>	Failure to achieve the Trust's financial strategy					<b>X</b>
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation					<b>X</b>
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits					<b>X</b>
<b>PR7</b>	Major disruptive incident					<b>X</b>
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change					<b>X</b>
<b>Committees/groups where this item has been presented before</b>						
Governors' Remuneration and Nomination Committee held on 24 <sup>th</sup> July 2024						
<b>Acronyms</b>						
NED – Non-Executive Director OPEL 4 – Operational Pressures Escalation Level 4						
<b>Executive Summary</b>						
<p>Non-executive directors are appointed and reappointed by the Council of Governors at a general meeting.</p> <p>By way of background both the Trust Constitution and NHSE Guidance is clear that NEDs will normally not be appointed for terms longer than 6 years except in "exceptional circumstances". At its meeting on 24<sup>th</sup> July 2024 the members of the Governor Remuneration and Nominations Committee discussed whether the Trust's current circumstances were such. Factors taken into consideration were the co-incidence of the change of Chair, the unplanned long-term absence of the Chief Executive for a period of at least six months and the need for Executive roles to be re-allocated resulting in an Acting Chief Executive, Acting Medical Director and Acting Deputy Medical Director all being new in place, were all influential. In addition, the increased and consistent pressures from Opel 4 (including full capacity protocol activation in mid-summer) combined with extreme financial pressures constituted exceptional circumstances that together could justify the renewals beyond six years.</p>						



The Committee then went on to consider the merit of extensions to the terms of the two individuals.

On 30<sup>th</sup> September 2024, the tenure of Barbara Brady will come to an end after 6 years' service as a Non-Executive Director and Senior Independent Director. It was noted that Barbara is a highly experienced and effective NED, with significant knowledge about the Trust's performance, quality imperatives, governance requirements and strategic intent having been initially appointed in October 2018. Barbara's breadth of knowledge regarding Public Health and the wider determinates of health inequalities ensures continued focus for the Board of Directors and Council of Governors in particular through her current role as chair of the Partnerships and Communities Committee. Barbara continues to provide wise and thoughtful counsel to the Acting Chair. Barbara has confirmed her willingness to continue in office and has had an outstanding appraisal.

On 31<sup>st</sup> October 2024, the tenure of Manjeet Gill will come to an end after 6 years serving as a Non-Executive Director. Manjeet has confirmed her willingness to continue in office and has had an outstanding appraisal. It was noted Manjeet is a highly experienced and effective NED who also has significant knowledge about the Trust's performance, quality imperatives, governance requirements and strategic priorities having been initially appointed in November 2018. Manjeet's breadth of knowledge regarding System working, health inequalities, diversity and inclusion ensures continued focus for the benefit of the Board of Directors. In addition Manjeet chairs the Audit and Assurance Committee. Manjeet has also confirmed her willingness to continue in office and has had an outstanding appraisal.

The proposals that the Governor Remuneration and Nomination Committee agreed to make to the Council of Governors are:

To re-appoint Barbara Brady for a period of one year to 30<sup>th</sup> September 2025, in line with section 8.6.3.4 of the Trust's Constitution (reproduced below).

To re-appoint Manjeet Gill for a period of one year to 30<sup>th</sup> November 2025, in line with section 8.6.3.4 of the Trust's Constitution.

### **Recommendations**

The Council of Governors to acknowledge that the Trust's current circumstances are "exceptional" and exercise its discretion to re-appoint:

- Barbara Brady for a period of one year to 30<sup>th</sup> September 2025, and
- Manjeet Gill for a period of one year to 30<sup>th</sup> November 2025

### **For information**

Extract from the Trust's Constitution in connection with non-executive directors' Terms of Office.

#### **Terms of Office**

Subject to paragraph 8.6.3, the Chair and the other Non-Executive Directors are to be appointed for a period of office in accordance with the terms and conditions of office (including as to remunerations and allowances, which shall be published in the Annual Report) decided by the Council of Governors in general meeting.

Non-Executive Directors:

8.6.3.1 shall be appointed for a period of up to 3 years;

8.6.3.2 are, subject to paragraphs 8.6.3.3 and 8.6.3.4, eligible for re-appointment at the end of the period referred to in paragraph 8.6.3.1;

- 8.6.3.3 shall not, except in exceptional circumstances, hold office for a period in excess of 6 years; and
- 8.6.3.4 where appointed for more than 6 years shall, at the discretion of the Council of Governors, be so appointed either on the basis of:
- a) annual re-appointment; or
  - b) a competitive process
- up to a maximum 9 years.

**Council of Governors**

<b>Subject:</b>	Appointment of Vice-Chair				<b>Date:</b>	13 <sup>th</sup> August 2024
<b>Prepared By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Approved By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Presented By:</b>	Sally Brook Shanahan, Director of Corporate Affairs					
<b>Purpose</b>						
To seek the approval of the Council of Governors of the recommendation from Governors' Remuneration and Nomination Committee at its meeting held on 24 <sup>th</sup> July 2024 for the appointment of Barbara Brady, a Non-Executive Board member and the Senior Independent Director, as Vice Chair with immediate effect.					<b>Approval</b>	<b>X</b>
					<b>Assurance</b>	
					<b>Update</b>	
					<b>Consider</b>	
<b>Strategic Objectives</b>						
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community	
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	
<b>Principal Risk</b>						
<b>PR1</b> Significant deterioration in standards of safety and care						<b>X</b>
<b>PR2</b> Demand that overwhelms capacity						<b>X</b>
<b>PR3</b> Critical shortage of workforce capacity and capability						<b>X</b>
<b>PR4</b> Failure to achieve the Trust's financial strategy						<b>X</b>
<b>PR5</b> Inability to initiate and implement evidence-based Improvement and innovation						<b>X</b>
<b>PR6</b> Working more closely with local health and care partners does not fully deliver the required benefits						<b>X</b>
<b>PR7</b> Major disruptive incident						<b>X</b>
<b>PR8</b> Failure to deliver sustainable reductions in the Trust's impact on climate change						<b>X</b>
<b>Committees/groups where this item has been presented before</b>						
Governors' Remuneration and Nomination Committee held on 24 <sup>th</sup> July 2024.						
<b>Acronyms</b>						
SID - Senior Independent Director						
<b>Executive Summary</b>						
<p>The Code of Governance for NHS Foundation Trusts, advises that the appointment of a Vice Chair, who is able to deputise for the Chair, as appropriate, can contribute to the efficient and effective running of the Trust.</p> <p>Further, paragraph 8.5.1.1 of the Trust's Constitution (5<sup>th</sup> August 2022 version) provides "The Council of Governors, at a general meeting of the Council of Governors, shall appoint one of the Non-Executive directors as Vice Chair".</p> <p>Graham Ward was appointed as Vice Chair on 5<sup>th</sup> May 2021 and continued in that role until his appointment as Acting Chair on 24<sup>th</sup> May 2024, resulting in the Vice Chair vacancy.</p> <p>Barbara Brady, Non-Executive Director, the current SID and Chair of the Partnerships and Communities Committee, has been nominated. Barbara was appointed as a Non-Executive Director on 1<sup>st</sup> October 2018, for an initial three-year period, and has since had her tenure renewed for a further three years. During that period, she has had successful appraisals with the previous Chair, Claire Ward. Barbara is currently in receipt of a £2,000 per annum uplift to her remuneration to reflect her additional responsibilities as the SID. No further increase is proposed for the Vice Chair appointment in these circumstances.</p>						

At its meeting on 24<sup>th</sup> July 2024, the Governors' Remuneration and Nomination Committee agreed to recommend the appointment of Barbara Brady as Vice Chair of the Foundation Trust to the Council of Governors at its meeting on 13<sup>th</sup> August 2024.

**Recommendation 1:** The full Council of Governors is therefore invited to follow that recommendation and approve the appointment as Vice Chair, with no additional remuneration, with immediate effect.

The same Committee also discussed the general basis on which an uplift to a Non-Executive Director's remuneration would apply. The Committee recommended that for the additional responsibilities of the SID and the Vice Chair only, a salary uplift (currently £2,000 pa) was appropriate noting, however, that where both additional roles were performed by the same person only one uplift would be paid.

**Recommendation 2:** The full Council of Governors is therefore invited to agree the additional roles eligible for an uplift and the payment principle as described above.