

ENFORCEMENT UNDERTAKINGS

NHS TRUST:

Isle of Wight NHS Trust (“the Trust”)
St Mary’s Hospital
Parkhurst Road
Newport
Isle of Wight
PO30 5TG

DECISION:

On the basis of the grounds set out below and pursuant to the powers exercisable by NHS Improvement (Monitor/TDA) under or by virtue of the National Health Service Act 2006 and the TDA Directions, NHS Improvement has decided to accept undertakings from the Trust.

DEFINITIONS:

In this document:

“the conditions of the Licence” means the conditions of the licence issued by Monitor under Chapter 3 of Part 3 of the Health and Social Care Act 2012 in respect of which NHS Improvement has deemed it appropriate for NHS trusts to comply with equivalent conditions, pursuant to paragraph 6(c) of the TDA Directions;

“NHS Improvement” means the National Health Service Trust Development Authority;

“TDA Directions” means the National Health Service Trust Development Authority Directions and Revocations and the Revocation of the Imperial College Healthcare National Health Service Trust Directions 2016.

GROUNDNS

1. The Trust

The Trust is an NHS trust all or most of whose hospitals, facilities and establishments are situated in England.

2. Issues and need for action

2.1. NHS Improvement has reasonable grounds to suspect that the Trust has provided and is providing health services for the purposes of the health service in England while failing to comply with the following condition of the Licence: FT4(5)(a), (b) and (d).

2.2. In particular:

- i. The Trust was placed into Financial Special Measures (FSM) in February 2019 because it met the entry criteria for the FSM regime. The Trust did not accept its control total in FY19 and FY20 and planned significant deficits in both years. The Trust transitioned to the newly established Recovery Support Programme (RSP) in July 2021. Although the Trust has demonstrated that four out of the five exit criteria have been met, there remains a significant underlying deficit of circa £34m.

2.3. These failures by the Trust demonstrate a failure of governance and financial management including, in particular:

- a) Failure to establish and effectively implement systems and/or processes:
 - i. to ensure compliance with the Trust's duty to operate efficiently, economically and effectively;
 - ii. for timely and effective scrutiny and oversight by the Board of the Trust's operations; and
 - iii. for effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Trust's ability to continue as a going concern).

2.4. Need for action:

NHS Improvement believes that the action which the Trust has undertaken to take pursuant to these undertakings, is action required to secure that the failures to comply with the relevant requirements of the conditions of the Licence do not continue or recur.

UNDERTAKINGS

NHS Improvement has agreed to accept and the Trust has agreed to give the following undertakings.

3. Financial sustainability

- 3.1. The Trust will appoint a Financial Improvement Director (FID), where required by NHS Improvement, who will support the 22/23 financial planning process and associated Financial Improvement Plan.
- 3.2. The Trust will, by 31 May 2022, or such other date as agreed with NHS Improvement submit a refreshed version of its Financial Improvement Plan to reflect the planning requirements for 22/23. The Trust will implement the

Financial Improvement Plan to timescales to be agreed with NHS Improvement.

3.3. When developing the Financial Improvement Plan, the Trust will engage effectively with key stakeholders including Hampshire and Isle of Wight Integrated Care System and ensure that the Financial Improvement Plan is aligned with wider system financial planning.

3.4. The Trust will ensure continued progress on medium term financial recovery through delivery of strategic partnerships including, but not confined to, those with Portsmouth Hospitals University NHS Trust, Solent NHS Trust and South Central Ambulance Service NHS Foundation Trust. Where applicable, the Trust will draw on support from NHS Improvement's Provider Development team for the development of the strategic partnerships.

4. Funding conditions and spending approvals

4.1. Where interim support financing or planned term support financing is provided by the Secretary of State for Health to the Trust under Schedule 5 to the National Health Service Act 2006, the Trust will comply with any terms and conditions which attach to the following.

4.2. The Trust will comply with any spending approvals processes that are deemed necessary by NHS Improvement.

5. Meetings and reports

5.1. The Trust will attend meetings or, if NHS Improvement stipulates, conference calls, at such times and places, and with such attendees, as may be required by NHS Improvement.

5.2. The Trust will provide such reports in relation to the matters covered by these undertakings as NHS Improvement may require.

Any failure to comply with the above undertakings may result in NHS Improvement taking further regulatory action. This could include giving formal directions to the trust under section 8 of the National Health Service Act 2006 and paragraph 6 of the TDA Directions.

THE TRUST

Signed

A handwritten signature in black ink, appearing to be 'J. Owen', written over a horizontal dotted line.

Chief Executive of Trust

Dated: 14th March 2022

NHS IMPROVEMENT

Signed

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a horizontal line.

Member of the Regional Support Group (South East)

Dated 6th April 2022