

27 February 2015

Professor Dean Fathers
Chair
Nottinghamshire Healthcare NHS Trust
Duncan Macmillan House
Porchester Road
Nottingham
NG3 6AA

Via e-mail

Dear Dean

Nottinghamshire Healthcare NHS Trust (“the Trust”): Application for NHS foundation trust status

We wrote to you on 25 February 2015 in relation to the Trust’s authorisation as an NHS foundation trust. This letter deals with matters that emerged during the scrutiny of your application.

Strategic planning

Monitor’s Board found that the Trust meets the criteria for authorisation as set out in section 5.3.2.2 of “Applying for NHS foundation trust status: A guide for applicants” dated 1 October 2013. The section is titled *“Does the trust board believe that the trust has the organisational capacity necessary to deliver the business plan?”*.

This section notes that with regards to strategic planning, Monitor will assess whether:

- A robust system is in place to assess and monitor the trusts market position (including analysis at a service line level);
- The strategic analysis is subject to regular updating; and
- An effective process is in place to respond to opportunities and adverse developments.

As part of the assessment, the Trust has self-certified that effective strategic planning processes are in place. However, we were informed that the Trust's overarching strategy has not been refreshed since 2011 when the Trust won its community service contracts and began the foundation trust application process. The Trust did indicate during the assessment process that it plans to update the strategy in 2015 following the conclusion of the application process, and we expect the Trust to follow through with this.

Given the need for all trusts to respond to the significant challenges facing the NHS, the elapsed time since the Trust last undertook a detailed strategy development process, and the appointment of a number of new executives including the Chief Executive since the last strategy, we believe that the Trust should now prioritise its detailed strategy development process. This is an important step to ensure a strong focus on the actions required to maintain a sound medium to long term position.

Reporting to Monitor

Please can you inform the relationship team when the strategy development process has been performed. In addition, the Trust's overall business plan will be assessed as part of the Annual Planning Review at the end of the next financial year (2015/16).

The action required above is additional to compliance with all of the conditions of the Trust's licence and to the reporting requirements set out in the Risk Assessment Framework of 27 August 2013 (Appendix C updated April 2014).

Notwithstanding this important issue, we should like to congratulate you and your team on the hard work and your successful application. We wish you well for the future.

Yours sincerely



David Bennett

Chief Executive

cc: Miranda Carter – Executive Director, Provider Appraisal
Katherine Cawley – Monitor Regional Director, Provider Regulation
David Flory – Chief Executive, NHS Trust Development Authority
Ruth Hawkins – Chief Executive, Nottinghamshire Healthcare NHS Trust