

Correspondence from NHS Lothian to the Public Audit Committee, dated 11 March

AUDITOR GENERAL FOR SCOTLAND (AGS) REPORT NHS FINANCIAL PERFORMANCE 2012/13 AND “MANAGEMENT OF PATIENTS ON NHS WAITING LISTS – AUDIT UPDATE”

Thank you for your letter of 28th February 2014 asking for a timeline from NHS Lothian detailing the sequence of events leading up to, and following discovery of, the manipulation of waiting times statistics at NHS Lothian.

I have read the two Public Audit Committee Official Reports dated 29th January 2014, and 19th February 2014 where the issue of waiting times was discussed.

In fact the Cabinet Secretary’s statement to Parliament on 21st March 2012 covers the whole timeline well and I have attached a copy of this for ease of reference.

NHS Lothian has an extensive amount of material, both electronic and in paper form on this issue and I have attempted to summarise the seminal events below from our perspective:

14th September 2011

At a meeting of the St John’s Hospital Stakeholders Group, a Councillor from the Action to Save St John’s Hospital Party (ASSJHP) commented that a number of his constituents had raised an issue with him of being offered surgery at hospitals in Northumberland rather than at St John’s Hospital. He asked an NHS Lothian senior manager to provide statistics on the number of offers of treatment, take up, and refusal. This information was provided to the Stakeholders in the days following this meeting.

23rd September 2011

The ASSJHP issued a Press Release stating that “cash-strapped West Lothian patients were offered operations in Northumberland and other parts of England” with those refusing being taken off the waiting lists. The press release was sent to all Scottish media and a number of MSPs and Ministers.

23rd October 2011

The Sunday Times published two articles: “NHS Lothian Accused of Targets Scam” and “Waiting Lists Fudged” written by Mark Macaskill. These two articles focused on NHS Lothian’s offer to patients of surgery in North Yorkshire and Northumberland. The offer of appointments in the North of England was seen as a way of “reducing the number of patients on the waiting list for surgery to meet targets”.

26th October 2011

At the Private Meeting of the NHS Lothian Board the minutes show that the then Chief Executive commented on the issue raised by the Sunday Times. He confirmed that he had asked Medical Director Dr David Farquharson to chair a Waiting Times Review Group which would produce a report to be sent to the Scottish Government when completed at the end of November 2011. The Group then commenced the

review during November. This involved meetings and dialogue with John Connaghan and the Scottish Government.

8th December 2011

A first version of the Review Group's report was sent to John Connaghan. The report concluded that staff were trying hard to ensure patients had surgery as soon as possible and were using the additional capacity in England as a genuine attempt to provide an additional option for patients with routine clinical needs. However, it was noted that staff required training in "New Ways" waiting times management, and modifications were required to the TRAK system to ensure that it was fully "New Ways" compliant, and able to generate management reports that would support more timely action on managing waits. The report included the decision to create a new role of Chief Information Officer which would be responsible for ensuring that there would be continuous real time monitoring of waiting lists and waiting times dynamics with clear triggers for action, and this would be embedded in the culture of each service area with clear lines of accountability.

A range of further information was requested by John Connaghan before the report was then finalised.

12th December 2011

A revised report with addendum and appendices was sent to John Connaghan.

22nd December 2011

John Connaghan wrote to Alan Boyter, Director of Human Resources and Organisational Development asking that an investigation be carried out into NHS Lothian's use of private providers in delivering waiting times targets.

6th January 2012

John Connaghan wrote to the Chief Operating Officer of the University Hospitals Division of NHS Lothian asking for an internal audit to be carried out. He wrote:

"I would therefore like you to commission your own internal audit function to carry out a special audit of your waiting times management practice in Lothian during the spring of 2012".

25th January 2012

The NHS Lothian Board decided that in the interest of sound governance, the Audit Committee would be instructed to commission the waiting times audit from external rather than internal auditors, and furthermore the audit remit was expanded to assess the accuracy of the waiting times information passed to the Board in 2011 and 2012.

31st January 2012

Price Waterhouse Coopers PWC) were appointed to carry out an external audit.

17th February 2012

PWC gave a verbal report to the Board Review Group with a summary of early themes.

20th February 2012

The Chairman of NHS Lothian received a letter from the Cabinet Secretary advising that the external audit by PWC should report directly to Scottish Government officials rather than to the NHS Board. The letter stated: "I have received an update from my officials in relation to the audit in which you are currently undertaking in relation to waiting times management in Lothian. As you know we asked that you commissioned such an audit in the early part of January, and I wish to ensure that we obtain the results from that audit as swiftly as possible.I am now minded that in the interest of appropriate corporate governance, my officials should now instruct the auditors (as distinct from NHS Lothian) and that the report from the auditors should come to the Scottish Government in the first instance. "

21st February 2012

The Chairman wrote to John Connaghan confirming that the Audit Committee had taken account of the Cabinet Secretary's wishes.

19th March 2012

The PWC Report, "Waiting Times Management at NHS Lothian" was submitted to John Connaghan. The report, in considering multiple evidence sources, that it was apparent that the management and processes for waiting times at NHS Lothian had been suboptimal. The report identified that offering patients treatment in England with unrealistic treatment dates was only one example of the problematic issues within the NHS Lothian's waiting times management. Not only did their report identify significant shortcomings in the process of waiting times management, it also identified significant concerns about organisational culture.

21st March 2012

The Cabinet Secretary, Nicola Sturgeon, makes a speech in Parliament. She says: "The key finding of the PWC report – which examined the period from April to December 2011 – is that NHS Lothian has been applying periods of unavailability to some patients inappropriately in order to artificially reduce the numbers of patients who would otherwise have been reported as breaching waiting times guarantees. This had, in the main, been done by retrospectively adjusting the patients' waiting time record." She continued: "The other significant issue of very serious concern to me is the suggestion in the report that the management culture in NHS Lothian contributed to this situation."

The Cabinet Secretary instructed the Chair of NHS Lothian to commission an investigation into "Why Such a Culture Exists in NHS Lothian, What the Reasons for it Are, and What Needs to be Done About It?" The Cabinet Secretary also indicated that it was clear that this review must include scrutiny of behaviours of senior management, and imposed a reporting deadline of 30th April 2012. The NHS Lothian Chairman commissioned PWC to undertake an initial review of culture then subsequently appointed a second company David J Bowles and Associates to undertake a more detailed investigation and respond to the Cabinet Secretary's concerns.

25th April 2012

The then Chief Executive indicated his intention to retire with immediate effect.

30th April 2012

An Interim Chief Executive takes up post at NHS Lothian.

11th May 2012

The Bowles Report investigating the management culture in NHS Lothian was published. The review concluded: "That it is difficult to see how such a culture was consistent with delivering the benefits of single system working". The report recommended that a programme for change should be overseen by a Steering Group, and that any change programme should be implemented in a way that delivers sustainable change whilst also recognising the considerable challenges against which the Board needs to deliver.

Summary

You asked me specifically if John Connaghan was the whistleblower who identified the manipulation of waiting times statistics at NHS Lothian and if I could confirm that I have no record of anybody else whistleblowing in relation to this sequence of events.

I think it is clear that the waiting times issues in NHS Lothian were first brought into the public domain by a press release circulated by the Action to Save St John's Hospital Party on 23rd September 2011 which was subsequently reported by the Sunday Times in October 2011. I note from the official report of the Public Audit Committee on 19th February 2014 that John Connaghan has already acknowledged that.

However, that issue was specifically relating to only one component of the overall problem, which was the inappropriate use of appointments in English hospitals. The process which identified the more widespread manipulation of waiting times statistics at NHS Lothian was the audit process which was instigated by John Connaghan's letter to the Board on 6 January 2012 and the board's subsequent decision to appoint PWC to do an external audit. Therefore, John Connaghan's intervention was seminal in revealing the true extent of the manipulation of waiting times statistics in NHS Lothian.

I hope that this provides the information which you require.