Grant Thornton

NHS Lothian

Internal Audit 2023/24

Waiting Times Governance Regulations Review

April 2024

FINAL REPORT

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It is the responsibility solely of NHS Lothian management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.

Report Distribution

Executive Lead:

• Jim Crombie, Deputy Chief Executive

For action:

• Amanda Kirkpatrick, Programme Manager – Waiting Times Governance

• Wendy Reid, Head of Performance & Business Unit

For Information:

• Calum Campbell - Chief Executive

• Andrew Jackson, Associate Director – Analytical Services

• Audit and Risk Committee

Executive summary

Background

This audit, originally designated as 'Recovery of Scheduled Care' in the Internal Audit Plan, has been renamed following consultations with Lead Officers at NHS Lothian. The revised title more accurately reflects the scope of the review, which aims to provide assurance that NHS Lothian has effective controls in place to comply with regulatory requirements relating to Planned Care waiting times.

In recent years, the management of Planned Care Waiting Times has faced considerable challenges, including the backlog created by the pandemic, staff shortages, and demanding winter periods. These factors have created a complex operating environment, underscoring the criticality of effective waiting list management. Furthermore, well-managed waiting times are integral to the operational efficiency of the Health Board. They reduce patient wait times, thereby optimising the flow of care delivery. This is especially vital in contexts where healthcare demands are high and resources are stretched.

Our review focused on validating the adequacy of internal processes and controls within NHS Lothian for identifying non-compliance with waiting times guidance. This involved an 'audit of the audits' undertaken by NHS Lothian, to assess the overall robustness of the Board's self-auditing procedures pertaining to planned care waiting lists.

Executive summary

Objectives

The objective of this is audit was to assess the effectiveness of the audit process for Planned Care waiting lists, with a focus on the Acute sector. We reviewed internal controls related to compliance with waiting list guidance and evaluate the assurance provided to the Board.

Our review focused on the following potential risk areas:

- Risk of procedural guidelines not aligning with regulatory requirements, leading to potential compliance oversights in the management of waiting lists.
- Risk of deficiencies in NHS Lothian's audit procedures, potentially leading to non-compliance with waiting list regulatory requirements.
- Risk that the current audit reporting process does not provide the Board with sufficient insight into compliance with waiting list regulatory requirements.

The findings and conclusions from this review will feed into our annual opinion to the Audit and Risk Committee on the adequacy of the overall internal control environment.

Limitations in scope

Our findings and conclusions are limited to the risks identified above. The scope of this audit does not allow us to provide an independent assessment of all risks and controls linked to Waiting List Governance.

Where sample testing is undertaken, our findings and conclusions are limited to the sample tested only. Please note that there is a risk that our findings and conclusions based on the sample may differ from the findings and conclusions we would reach if we tested the entire population from which the sample is taken.

This report does not constitute an assurance engagement as set out under ISAE 3000.

Acknowledgement

We would like to take this opportunity to thank your staff for their co-operation during this internal audit.

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Headline messages

Significant Assurance

We have reviewed the processes and controls relating to the Board's self-auditing mechanisms for managing planned care waiting lists, with a focus on assessing the Board's internal mechanisms for monitoring compliance with governance regulations. We have concluded that the processes have provided **Significant Assurance.** This was confirmed through testing in specific areas of the organisation and through discussions with management.

We have provided 'Significant Assurance' based on our findings, indicating the Board can take reasonable assurance that the its self-auditing mechanisms are reliable, and that the Board can accurately monitor its compliance with national regulations.

While out of scope, it should be noted that NHS Lothian is underperforming against the main waiting time standards, with figures from the February Board papers indicating 70.3% compliance with the 18 Weeks Referral to Treatment (RTT) Standard, 57.5% for the 12-Week Treatment Time Guarantee (TTG), and 42.6% for the 12 Weeks 1st Outpatient Appointment. However, the scope of our review was specifically aimed at ascertaining the effectiveness of NHS Lothian's mechanisms for identifying non-compliance with waiting times guidance, ensuring the 2023 Waiting Times Guidance is being implemented and the validation of audits by the Waiting List Governance Team on the TRAK system, ensuring reported performance figures are reliable. Performance metrics against the main waiting time standards are not included within the audit opinion as they fall outside the scope of this review.

We assessed that NHS Lothian is effectively implementing necessary adjustments in line with the new waiting list guidance, which was introduced on 4 December 2023. Acknowledging the Scottish Government's recognition of the necessity for a transition period, which extends until 30 November 2025, for the full implementation of all modifications, our evaluation confirmed NHS Lothian has initiated adjustments to align with these requirements, ensuring a systematic and balanced approach towards ensuring full compliance.

NHS Lothian's procedures exhibit a significant level of alignment with national guidance, indicative of the policy's congruence with the Board's position as it progresses towards full implementation of the new guidance. The accuracy of audits conducted by the Waiting List Governance Team was validated through sample testing, providing assurance of their effectiveness and thoroughness. Furthermore, the Access Compliance Assurance Group (ACAG) is providing diligent oversight and adopting a proactive approach towards auditing and continuous improvement.

We have raised two low-risk actions relating to improvements in multi-channel communication methods for patient validation and enhancing reporting on the performance against the 6-week target for key diagnostic tests.

Headline messages

Conclusion

We have raised two recommendations. The grading of these recommendations, based on risk, is summarised in the table below.

Objectives	Assurance rating	Number of recommendations			
		High	Medium	Low	Imp
Risk of procedural guidelines not aligning with regulatory requirements, leading to potential compliance oversights in the management of waiting lists.	Significant Assurance			1	
Risk of deficiencies in NHS Lothian's audit procedures, potentially leading to non-compliance with waiting list regulatory requirements.	Significant Assurance				
Risk that the current audit reporting process does not provide the Board with sufficient insight into compliance with waiting list regulatory requirements.	Significant Assurance			1	

Summary of findings

Examples of where recommended practices are being applied

- Our internal audit confirmed that NHS Lothian is effectively implementing the necessary adjustments to ensure compliance with the new waiting list guidance introduced on the 4 December 2023. The Scottish Government acknowledges the need for a transition period, which extends until 30 November 2025. We confirmed that NHS Lothian has commenced adjustments and is complying with the national requirement to develop an implementation plan to navigate the complexities of ensuring total guidance implementation and compliance by November 2025.

- An assessment and comparison of NHS Lothian's Local Access Policy with the NHS Scotland National Access Policy and Waiting Times Guidance found a significant level of alignment with national standards. While some adjustments in the Local Access Policy are necessary to achieve full alignment, such as updating the timeframe for reasonable offers, the current access policy accurately reflects the Board's current position as it progresses towards complete implementation of the new guidance by the November 2025 deadline.

- Sample testing confirmed the accuracy and effectiveness of NHS Lothian's audits related to managing patient waiting times. The alignment of our findings with the Waiting List Governance Team's findings provides assurance that internal reviews are effective and accurate.

- Based on a thorough review of the Access Compliance Assurance Group (ACAG) meeting minutes for 2023, it is evident that the ACAG has been diligent in its oversight responsibilities. The group has focused on adhering to the updated NHS Scotland Waiting Times Guidance, confirming its role in monitoring regulatory compliance and upholding waiting list governance.

- Additionally, the Access Compliance Assurance Group minutes confirm a proactive approach towards auditing and continuous improvement across various service areas. For instance, the audit results, action plans and specific target audits were regularly discussed, demonstrating the ACAG is delivering its duties in identifying, addressing, and mitigating issues related to waiting times and service delivery.

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Summary of findings

Areas requiring improvement

- The Local Access Policy does reflect the changes stipulated in the NHS Scotland Waiting Times Guidance to a significant extent, particularly in terms of managing waiting times and providing timely care. Nonetheless, the inability to fully implement communication about reasonable offer packages due to system limitations represents a potential area of non-compliance with the updated guidance. This issue needs to be addressed to ensure complete alignment with the revised national standards. A recommendation for address this was raised in our January 2024 Waiting Lists Audit Report an no repeated recommendation has been raised within this report.

- NHS Lothian's Outpatient Waiting List Validation Standard Operating Procedure (SOP) largely conforms to national guidance. However, a potential weakness was identified concerning communication methods. The SOP predominantly emphasises traditional communication channels such as letters and phone calls for patient validation. This approach may not completely align with the guidance's suggestion for employing multi-channel communication methods (e.g. email, SMS), which could result in lower patient response rates.

- An assessment of the Board reports, specifically the February 2024 Board papers, confirmed that the Board has visibility into the compliance with most of the key waiting list standards. However, the NHS Lothian Board Papers do not explicitly report on the performance of the 6-week target for the 8 key diagnostic tests. To ensure visibility on compliance with all the waiting time standards it may be beneficial to integrate specific performance metrics for the 8 key diagnostic tests within future reports.

Detailed findings & action plan

1.1	Significant Assurance	Risk of procedural guidelines not aligning with regulatory requirements, leading to potential compliance oversights in the management of waiting lists.

Finding and implication	Audit recommendation	Management response, including actions
Three Stage Waiting List Validation Process. NHS Scotland Waiting Times Guidance issued in November 2023 requires that Health Boards complete the three-stage waiting list validation on a regular and continual basis, which should not exceed six-month gaps. The Programme Manager (Waiting Times Governance) informed us that while the specific three-stage waiting list validation process mandated by the November 2023 guidance is new, the concept of regular waiting list reviews has long been integral to waiting list management, albeit under different terminology. We assessed NHS Lothian's Outpatient Waiting List Validation, Standard Operating Procedure (SOP) April 2023 against the NHS Scotland Waiting Times Guidance 2023. Our evaluation confirmed that NHS Lothian's SOP broadly aligns with national guidance. However, an area for potential weakness was identified regarding communication methods. The SOP primarily focuses on traditional communication methods (letters and phone calls) for patient validation. This may not fully capture the guidance's recommendation for multi-channel communication methods (e.g. email, SMS), potentially leading to lower patient response rates and inaccuracies in waiting list maintenance.	Recommendation 1 To ensure full compliance with NHS Scotland Waiting Times Guidance, enhance NHS Lothian's Validation SOP by integrating multi-channel communication (e.g., email, SMS) with traditional methods.	**Actions:** The Lothian eHealth team are currently rolling out digital support for conducting and tracking the waiting list validation process. Additionally, they are currently reviewing the functionality of Lothian's primary communications system. An update is imminent and will increase the flexibility of communication methods and types of letters that can be issued such as easy read and different languages. The WL Validation SOP will be updated to reflect these elements and at a point consistent with the nationally coordinated implementation and in line with SGHD's target date of no later than November 2025. **Responsible Officer:** Andrew Jackson, Associate Director, Analytics **Executive Lead:** Jim Crombie, Deputy Chief Executive **Due Date:** 30 November 2025

Detailed findings & action plan

3.1	Significant Assurance	Risk that the current audit reporting process does not provide the Board with sufficient insight into compliance with waiting list regulatory requirements.

Finding and implication	Audit recommendation	Management response, including actions
Diagnostic Compliance Oversight. An assessment of the Board reports, specifically the February 2024 Board papers, confirmed that the Board has visibility into the compliance with most key waiting list standards. This visibility is demonstrated through detailed reporting on performance against each standard, identifying areas where NHS Lothian is not meeting expected compliance levels. The reports provide a comprehensive overview of the current state of compliance with the waiting list standards, alongside an assessment of the performance and planned improvement actions. The latest available performance figures show: • 70.3% against the 18 Weeks Referral to Treatment (RTT) Standard, • 57.5% compliance with the 12-Week Treatment Time Guarantee (TTG), • 42.6% for the 12 Weeks 1st Outpatient Appointment. The NHS Lothian Board Papers do not explicitly report on the performance of the 6-week target for the 8 key diagnostic tests. However, discussions on diagnostics, particularly Radiology are recorded. It was noted that there is a focus on long-waiting patients for key diagnostic modalities such as CT, MRI, and General Ultrasound, with improvements in waiting times for patients over 26 weeks as of 18 January 2024. To enhance the Board's oversight on the key waiting list standards and ensure comprehensive visibility into diagnostic compliance, it may be beneficial to integrate specific performance metrics for the 8 key diagnostic tests within future reports.	Recommendation 2 Integrate performance metrics for the 6-week standard for key diagnostic tests in future Board reports to enhance oversight and ensure comprehensive visibility into diagnostic compliance with all the key waiting list standards .	**Management Response:** Currently, there is visibility/reporting twice per year to the SPPC Board Subcommittee. They receive full Board-to-Board comparisons on 6-weeks for all modalities. An exceptions/issues report for the 18 weeks standard is included in the Board papers which includes diagnostics as it forms part of 18 weeks. **Action:** A proposal to enhance reporting on performance against the diagnostic waiting times standard in NHS Lothian's 2024/2025 Board reporting will be taken to Board members in June 2024. Following the Board's decision on the proposal, the plan will be implemented accordingly. **Responsible Officer:** Wendy Reid, Head of Performance & Business Unit **Executive Lead:** Jim Crombie, Deputy Chief Executive **Due Date:** 31 August 2024

Appendices

Appendix 1:
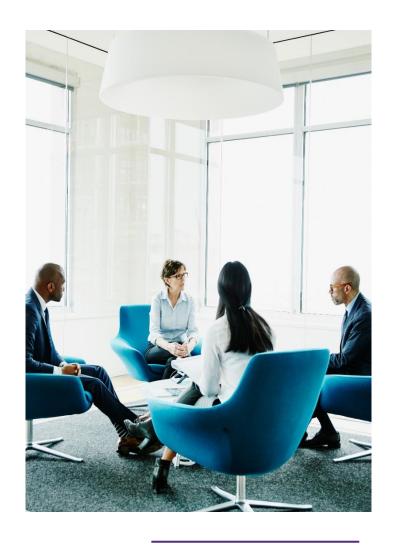# Staff involved and documents reviewed

Staff involved

- Amanda Kirkpatrick, Programme Manager – Waiting Times Governance
- Andrew Jackson, Associate Director – Analytical Services

Documents reviewed

- Board papers
- ACAG Minutes
- Guidelines for Re-Audit by Waiting Times Governance Team
- Waiting Times Implementation Paper
- Local Access Policy
- Validation Audit Results

Appendix 2:
Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.
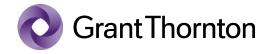
Rating	Description
Significant Assurance	The Board can take reasonable assurance that the system(s) of control achieves or will achieve the control objective. There may be an insignificant amount of residual risk or none at all. There is little evidence of system failure and the system appears to be robust and sustainable. The controls adequately mitigate the risk, or weaknesses are only minor (for instance a low number of findings which are all rated as 'low' or no findings)
Moderate Assurance	The Board can take reasonable assurance that controls upon which the organisation relies to achieve the control objective are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk. In most respects the "purpose" is being achieved. There are some areas where further action is required, and the residual risk is greater than "insignificant". The controls are largely effective and in most respects achieve their purpose with a limited number of findings which require management action (for instance a mix of 'medium' findings and 'low' findings)
Limited Assurance	The Board can take some assurance from the systems of control in place to achieve the control objective, but there remains a significant amount of residual risk which requires action to be taken. This may be used when: • There are known material weaknesses in key control areas. • It is known that there will have to be changes that are relevant to the control objective (e.g. due to a change in the law) and the impact has not been assessed and planned for. The controls are deficient in some aspects and require management action (for instance one 'high' finding and a number of other lower rated findings)
No assurance	The Board cannot take any assurance from the audit findings. There remains a significant amount of residual risk. The controls are not adequately designed and / or operating effectively and immediate management action is required as there remains a significant amount of residual risk (for instance a number of HIGH rated recommendations)

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Appendix 3:
Our recommendation ratings

The table below describes how we grade our audit recommendations based on risks:

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	• Key activity or control not designed or operating effectively • Potential for fraud identified • Non-compliance with key procedures/standards • Non-compliance with regulation
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	• Important activity or control not designed or operating effectively • Impact is contained within the department and compensating controls would detect errors • Possibility for fraud exists • Control failures identified but not in key controls • Non-compliance with procedures/standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	• Minor control design or operational weakness • Minor non-compliance with procedures/standards
Improvement	Items requiring no action but which may be of interest to management or which represent best practice advice	• Information for management • Control operating but not necessarily in accordance with best practice

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