Scottish Health Service Costs
Year ended 31 March 2014
Publication date – 2 December 2014
Revised on – 24 November 2015
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Introduction

Scottish Health Service Costs (known as the Costs Book) is the only source of published costs information for NHSScotland (NHSS). The Costs Book provides a detailed analysis of how board operating costs, reported in board annual accounts, have been spent on patient care within NHSScotland. Scottish Health Service Costs are published by ISD with the support of the Scottish Government Health Department (SGHD) and are also used for comparison across health care providers to ensure efficiency and to benchmark costs.

Information contained in the Costs Book is primarily derived from Scottish Financial Returns (SFRs) which are compiled by Scottish Health Boards, and completed as part of their annual accounts cycle. NHS Board annual accounts are audited by an independent body before being agreed by the Scottish Government (SG). While there is no audit of the Costs Book, boards are required to show how the quantum of costs included in the Costs Book reconciles to expenditure and income reported in the Statement of Comprehensive Net Expenditure (SOCNE) from the annual accounts. To support this process, the SG are responsible for providing NHS Boards with an Annual Accounts manual. ISD also issue data templates (SFR 29.0) to record this reconciliation.

The Costs Book 2014 detailed reports are structured to analyse 94% of NHSScotland expenditure within the 14 geographic health board areas and two of the eight special boards, namely the State Hospital and Golden Jubilee National Hospital, from April 2013 to March 2014. These boards provide hospital and community care directly to patients. The Costs Book contains large amounts of data ranging from national and board summaries to detailed information for individual hospitals. A range of data tables provide information on main expenditure areas and how that translates to the average cost of treating patients in various services. This report gives an overview of data contained within the Costs Book 2014. All dates refer to financial years - for example: ‘2014’ refers to the year beginning in April 2013 and ending March 2014.

On a yearly basis, there can be numerous changes to the Costs Book data templates and to the accounting guidance which can influence year-on-year comparisons. While every attempt is made to make comparisons of the data possible, these changes must be considered together with other factors such as organisational change or missing data. See Summary of Changes for important changes about the 2014 data.

When making comparisons across Scotland, or interpreting the Costs Book data, it should be noted that individual NHS Boards/hospitals (e.g. Island Boards) in rural settings can have a low volume of patients, but relatively high fixed costs which can result in substantial fluctuations in unit costs and case figures for some hospitals.

Historic costs in this publication have been expressed both in ‘cash terms’ (not adjusting for inflation) and in ‘real terms’. The ‘real terms’ costs have been adjusted for inflation using the GDP deflator. This means that costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Rather than expressing simply the quantum of money which was spent in any previous year, real terms costs therefore show what the cost of providing goods and services from that year would have been in 2014 (assuming the inflation experienced by NHS Scotland is equal to that of the country as a whole). Note, therefore, that the real terms costs for 2013 presented in the current report will differ from the corresponding values published in 2013. Many of the figures in this report have been rounded. Please see the tables outlined in the ‘List of Tables’ for more precise figures.
Key points

The Cost Book 2014 reports on how £10.4bn of operating costs was spent across the 14 geographic health boards and additional hospital services provided by two of the eight special boards, namely the State Hospital and Golden Jubilee National Hospital. The total operating costs made up around 94% of NHSScotland expenditure and 1/3 of all Scottish Government Expenditure in 2014.

Operating costs are broken down into Hospital, Community and Family Health sectors, as well as the NHS funds transferred to local authorities for the continued care of patients (Resource Transfer).

The following are some of the key findings for 2014:

- The total Board operating costs increased by 2.4% to £10.4bn in cash terms (not adjusting for inflation) compared to 2013. In real terms, (taking inflation into account) the total Board operating costs increased by 0.6% compared to the previous year.

- £5.9bn was spent within the hospital sector. In cash terms, this was an increase of 2.3% compared to 2013. In real terms the increase was 0.5% compared to 2013. The hospital sector accounts for the largest part of expenditure (56.9%) and contains costs for the larger hospitals.

- £1.8bn was spent within the Community sector; a cash terms increase of 4.4% compared to 2013. The corresponding real terms increase was 2.7%. The community sector contains the smaller hospitals which serve their local communities, as well as community services delivered outside hospitals.

- Family health sector expenditure, which includes the cost of running local GP practices as well as local pharmacy, dental and ophthalmic services, amounted to just under £2.4bn in 2014; a cash terms increase of 1.1% and a real terms decrease of 0.6 % compared to 2013.

- Almost half of the total operating costs (47.9% or £5.0bn) was spent on hospital and community sector staff, excluding laboratory staff.

Revision Notes: Within the publication on the 2nd of December 2014, the GDS figure for Western Isles was understated by £3.784m in respect of salaried dentists and should have read as £4.041m. These salaried costs were incorrectly reported within the medical and nursing staff costs within Community Services. All figures and reports in relation to this were subsequently revised on 23rd December 2014. Also, the 2014 Primary Medical Services figures for NHS Lothian and NHS Greater Glasgow and Clyde have subsequently been restated due to accounting changes (further details on this are provided on the R100 notes page); the figures in relation to this were revised on 24th November 2015.
Results and Commentary

ISD Scotland collects annual data on health care expenditure in Scotland and publishes this information in The Scottish Health Service Costs (The Costs Book). This covers £10.4bn of NHS spending across a wide range of data tables. Below are some findings from the data available within the Costs Book:

Overview

Total Operating Costs (Table 1)

- In 2014, £10.4bn of operating costs was spent across the 14 geographic health boards and additional hospital services provided by two of the eight special boards, namely the State Hospital and Golden Jubilee National Hospital.
- In cash terms, the total Board operating costs increased by 2.4% compared to 2013.
- In real terms, the total Board operating costs in 2014 were slightly higher than in 2013, with an increase of 0.6%.
- Over the last four years, the overall spend on health care has increased in cash terms from £9.8bn in 2011 to £10.4bn in 2014. In real terms, the overall spend has increased from £10.3bn in 2011 to £10.4bn in 2014.

Table 1: Trends in Operating Costs 2011-2014

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cash terms Operating Costs (£000)</th>
<th>Change on Previous Year (cash terms)</th>
<th>Real terms Operating Costs (£000)</th>
<th>Change on Previous Year (real terms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>9,779,404</td>
<td>---------</td>
<td>10,282,852</td>
<td>---------</td>
</tr>
<tr>
<td>2012</td>
<td>10,027,482</td>
<td>2.5%</td>
<td>-10,310,506</td>
<td>0.3%</td>
</tr>
<tr>
<td>2013</td>
<td>10,203,983</td>
<td>1.8%</td>
<td>10,379,922</td>
<td>0.7%</td>
</tr>
<tr>
<td>2014</td>
<td>10,446,415</td>
<td>2.4%</td>
<td>10,446,415</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Notes:
1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).
2. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
NHS Costs by sector

Total operating costs in 2014 in the Hospital, Community and Family Health sectors, as well as the NHS funds transferred to local authorities for the continued care of patients (Resource Transfer), are shown in Figure 1.

Figure 1: Total Operating Costs by sector 2014

Table 2: Trends in Operating Costs (£bn) by sector 2011-2014

<table>
<thead>
<tr>
<th>Operating Costs (£bn)</th>
<th>Cash Terms</th>
<th>Real Terms¹</th>
<th>Real Terms²</th>
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</thead>
<tbody>
<tr>
<td>Total</td>
<td>9.78</td>
<td>10.03</td>
<td>10.20</td>
</tr>
<tr>
<td>Hospital</td>
<td>5.53</td>
<td>5.65</td>
<td>5.81</td>
</tr>
<tr>
<td>Community</td>
<td>1.54</td>
<td>1.63</td>
<td>1.68</td>
</tr>
<tr>
<td>Family Health</td>
<td>2.38</td>
<td>2.41</td>
<td>2.37</td>
</tr>
<tr>
<td>Resource Transfer</td>
<td>0.33</td>
<td>0.33</td>
<td>0.34</td>
</tr>
</tbody>
</table>

Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).

2. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
Figure 2: Trends in Cash Terms Operating Costs by sector 2011-2014

Figure 3: Trends in Real Terms Operating Costs by sector 2011-2014

Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).

2. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
Hospital Sector

- The hospital sector accounts for the largest part of expenditure (56.9% or £5.9bn, Figure 1). The sector contains costs for the larger hospitals and includes activities ranging from nursing and pharmacy to cleaning.
- Costs in both cash and real terms have increased within the hospital sector over the last four years (Table 2, Figures 2 and 3).
- In cash terms, costs have increased by around £0.4bn since 2011 (Table 2 and Figure 2). In real terms, costs have increased by 2.3% in the same time period.
- Staff costs, excluding laboratory staff, make up a sizeable percentage of hospital sector costs (66.1% or £3.9bn in 2014).

Community Sector

- The community sector accounts for around 1/6th of total operating costs (16.8% or £1.8bn, Figure 1). This sector contains the smaller hospitals which serve their local communities, as well as community services delivered outside hospitals.
- Community sector costs have risen year on year over the last four years in both cash and real terms (Table 2, Figures 2 and 3).
- In cash terms, costs have increased by over £0.2bn or 13.6% since 2011 (Table 2); in real terms the increase was £0.13bn or 8.1% (Table 2).

Family Health

- The second largest area of expenditure is the family health sector (23% or £2.4bn, Figure 1). This includes the cost of running local GP practices as well as local pharmacy (including the costs of drugs dispensed), dental and ophthalmic services.
- Costs within the Family Health sector have risen by 1.1% in cash terms since 2013 but there have been year on year fluctuations since 2011. (Table 2 and Figure 3). In real terms, costs have fallen gradually over the same time period.

Resource Transfer to Local Authority

- Resource transfer includes NHS funds transferred to local authorities for the continued care of patients (£351m or 3.4%, Figure 1). In cash terms, costs in this sector have increased by 2.9% in the last year. In real terms, they have increased by 1.2%.
Further Analysis of Costs Data

Hospital Sector (£5.9bn)

• Inpatients are a major source of hospital service activity, with over one million cases recorded in Scotland in 2014. The average cost of an inpatient case in Scotland was £2,691 in 2014 (Figure 4).

• In cash terms, trends in the average cost of an inpatient case have remained fairly constant over the last four years (Figure 4). In real terms, the average cost of an inpatient case in Scotland has gradually decreased over the last four years (Figure 4).

Figure 4: Trends in Costs per Inpatient Case 2011-2014

Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).

2. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011 - 2013 show what the cost of providing goods and services from that year would have been in 2014.
The cost of inpatient treatment varies across health boards in Scotland (Figure 5). In 2014, the cost per Inpatient case ranged from £1,944 in NHS Borders to £5,784 in the Golden Jubilee. The higher cost per case at the Golden Jubilee reflects the complex nature of the cases treated within that hospital. As they are rural locations, it costs more to treat a patient in an Island board (NHS Shetland, NHS Orkney and NHS Western Isles).

Figure 5: Cost per Inpatient Case by NHS Board 2014

Note:
1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).
• The cost of treating long stay inpatients has varied since 2011 in both cash and real terms. In 2014, expenditure decreased by £21.2m in cash terms; in real terms this was a decrease of £32.9m.

**Figure 6: Trends in Expenditure for long stay patients 2011-2014**

Notes:

1. Expenditure is calculated by multiplying the cost per inpatient week by the number of inpatient weeks.
2. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).
3. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
Community Sector (£1.8bn)

- About £1.8bn was spent within the community sector in 2014 with staff costs, excluding laboratory staff, accounting for 61.1% of this figure (£1.1bn). Non-staff costs include travel costs, drugs, laboratory services and various supplies. Staff and non-staff costs can be combined to provide costs of providing specific services or functions such as: £163.5m on district nursing, £39.0m on community midwifery, £84.9m on child health and £78.8m on GP out of hours services.

- In general, more densely populated areas such as NHS Greater Glasgow & Clyde spent less money (relative to their overall community costs) on district nursing which is probably due to greater accessibility to health centres (Figure 7). Less densely populated areas such as the Island NHS Boards (NHS Orkney-16.4%, NHS Shetland-27.8%) spent significantly more on district nursing relative to their overall community costs.

**Figure 7: Percentage of Community Costs Spent on District Nursing by NHS Board 2014**

![Graph showing percentage of community costs spent on district nursing by NHS Board 2014](image)

**NHS Health Board**

- % Exp on District Nursing
- National Average

**Note:**

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).
In 2014, drugs expenditure made up 67.1% of community pharmacy costs. Community sector pharmacy services have seen a rise in costs over the last four years in both cash and real terms (Figure 8). This increase is mainly due to a similar increase in drugs expenditure over the same time period.

Figure 8: Trends in Community Pharmacy Expenditure 2011-2014

Notes:
1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).
2. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
Family Health Sector (£2.4bn)

- The family health sector includes local GP practices as well as local pharmacy, dental and ophthalmic services.
- In 2014, almost half (£1.1bn or 47.7%) of family health sector costs was spent on pharmaceutical services (Figure 9). Drugs expenditure makes up 82.2% (£941m) of pharmaceutical services costs.
- In real terms, the amount of money spent on drugs has fallen steadily over the last four years (Figure 10). In cash terms, the costs have decreased by 3.1% (£29.8m) since 2011; rising by 1.7% between 2013 and 2014.
- In 2014, the cost of delivering primary care medical services at 988 GP practices in Scotland was £763m; an increase of 1.0% in cash terms compared to 2013. The cost of providing general dental services and general ophthalmic services was £391m and £101m respectively (Figure 9).

**Figure 9: Family Health Sector Operating Costs 2014**
Staff Costs

- In 2014, almost half of the total operating costs (47.9% or £5.0bn) was spent on hospital and community sector staff, excluding laboratory staff.

- In both sectors, staff costs - which contain medical, nursing, allied health professional and administration staff amongst others – have fluctuated since 2011 in both cash and real terms (Figure 11). In 2014, staff costs increased from £4.8bn to £5.0bn in cash terms compared to 2013; the corresponding increase in real terms was £4.9bn to £5.0bn.
1. The figures for staff costs exclude laboratory staff.

2. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1st April 2010 and ends 31st March 2011).

3. Real terms operating costs for 2014 remain unchanged, whereas costs for previous years are divided by an adjustment factor determined by HM Treasury. Real terms costs in 2011-2013 show what the cost of providing goods and services from that year would have been in 2014.
The figures described within this report are available at Scotland level and for each individual board in the following tables:

**R100** – cash terms and real terms expenditure and activity figures for the current and previous year, for Scotland and each board [260kb]

**R100T** – cash and real terms expenditure and activity figures for the last five years, for Scotland and each board [324kb]

The full range of data tables for Costs Book 2014 is available via the following links:

**Detailed Tables** – a wide range of data tables for the technical user of the Costs Book

**File Listings** – a full listing of the 2014 data files

**Report logic** – a document highlighting the source of the data included in each table and how the figures are calculated

**Summary of Changes** – a document highlighting the key changes to the Costs Book data templates and to the accounting guidance
Glossary

Board Operating Costs – The annual costs incurred by a board in running its business of healthcare.

Cash Terms - A measure of the value of money without adjusting for the effect of inflation.

Financial Year - Period of time beginning in April and ending in March (e.g. Financial Year 2013 begins on 1st April 2012 and ends 31st March 2013).

Hospital Running Costs - The total revenue expenditure (pay, supplies and services) for a hospital, incurred in providing a service to patients.

NHSScotland - National Health Service Scotland.

Real Terms – A measure of the value of money that removes the effect of inflation.

Resource Transfer - Transfer of monies from NHS to fund health care provided by local authorities such as community based care packages and the support infra-structure for patients discharged from long stay hospitals.

Scottish Financial Returns (SFRs) - A series of templates used for standardising the return of the Costs Book data.

Additional costing information and guidance can be found within the Reference and Financial Definitions section of the ISD website.

List of Tables

<table>
<thead>
<tr>
<th>Table No.</th>
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<th>Time period</th>
<th>File &amp; size</th>
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<td>2013-2014</td>
<td>Excel [322kb]</td>
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<td><strong>R100T</strong></td>
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**Contact**

NSS.isdCOSTSINFO@nhs.net

**Donna Mikolajczak**  
Principal Information Analyst  
0141 282 2083  
donna.mikolajczak@nhs.net

**Ahmed Mahmoud**  
Senior Information Analyst  
0131 275 7555  
a.mahmoud@nhs.net

Scottish Government – for information on underlying policy and any impact on NHS costs please contact:

**Julie McKinney**  
Head of Internal Financial Performance  
0131 244 2371  
julie.mckinney@scotland.gsi.gov.uk

**Further Information**  
Further information on costs data for 2014 and earlier years can be found on the Costs area of the ISD website.

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Appendix

A1 – Background Information

Costs Book Data Collection System

The Costs Book Data Collection System (CBDCS) is a web-based data collection system issued to NHS Boards to assist them in compiling and submitting the Scottish Financial Returns (Costs Book dataset) to ISD on an annual basis. A central version of CBDCS is held at ISD which holds data returns from NHS Boards. To support data collection and submission, ISD provides NHS Boards with a comprehensive Costs Guidance Manual. To ensure consistency across all NHS Boards, this manual is updated on a regular basis with input from NHS Boards, the Scottish Government and ISD. In addition, a supplement to the Costing Guidance manual with information specific to the coming year’s collection is provided to NHS Board staff.

More information on the Costs Book Data Collection System can be found within the Summary Guidance document.

Quality Assurance

The CBDCS has built in functionality to support data compilation and data quality assurance. The system is updated regularly to include any changes to data templates (SFRs) and validation rules.

In June 2012 an updated version of the CBDCS was introduced across NHS Scotland. The new CBDCS has a comprehensive on-line validation facility to ensure that data is complete and valid prior to submission to ISD. It also includes a year on year comparability function allowing NHS Boards to quality check their data at the point of input and prior to them submitting the data to ISD.

To further enhance the quality of the data submissions, the ISD Data Management team produce draft data quality reports for each NHS Board to review their information. Further manual quality checks of the data are then carried out by the ISD Data Management team. Any queries or anomalies are raised with the finance staff at the relevant NHS Board(s) either via the new web-based CBDCS, which allows a two way dialogue between ISD and the NHS Board in question, or by telephone or email contact. To ensure data robustness, queries may go back and forth between ISD and an NHS Board until a satisfactory resolution is reached.

Once agreement has been reached, the ISD Costs Book analytical team produce a draft version of the R100 Executive Summary Report for each individual NHS Board. The R100 Executive Summary Report profiles the main elements of the Costs Book data and is sent to the Director of Finance at each NHS Board for sign off. Once data has been signed off by the Directors of Finance the information is used by the ISD analytical team to produce the annual publication of Scottish Health Service Costs.

Additional information on Data Quality Assurance can be found within the Summary Guidance document.
Reference Information

The collection of costs data is supported by a number of guidance manuals, reference files and systems logic to ensure consistency and quality of the Costs Book. These include:

Annual accounts manual

Costing Guidance manual

Costs Book Reconciliation to Annual Accounts

Scottish Financial Returns

Additional costing information and guidance can be found within the Summary Guidance and Costs Book Reference section of the ISD website.
**A2 – Publication Metadata (including revisions details)**

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<tr>
<td>Description</td>
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<td>Theme</td>
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<td>Format</td>
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<td>Data source(s)</td>
<td>Information contained in Costs Book is primarily derived from Scottish Financial Returns (SFRs) which are compiled by Scottish Health Boards, and completed as part of their annual accounts cycle. The Costs Book Data Collection System (CBDCS) is a web-based data collection system issued to NHS Boards to assist them in compiling and submitting the Scottish Financial Returns (Costs Book dataset) to ISD on an annual basis. A central version of CBDCS is held at ISD which holds data returns from NHS Boards. To support data collection and submission, ISD provides NHS Boards with a comprehensive Costs Guidance Manual. To ensure consistency across all NHS Boards, this manual is updated on a regular basis with input from NHS Boards, the Scottish Government and ISD. In addition, a supplement to the Costing Guidance manual with information specific to the coming year’s collection is provided to NHS Board staff. The collection of costs data is supported by a number of guidance manuals, reference files and systems logic to ensure consistency and quality of the Costs Book. Additional costing information and guidance can be found within the Summary Guidance document and the Costs Book Reference section of the ISD website.</td>
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<td>Continuity of data</td>
<td>On a yearly basis, there can be numerous changes to the Costs Book data templates and to the accounting guidance which can influence year-on-year comparisons. While every attempt is made to make comparisons of the data possible,</td>
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these changes must be considered together with other factors such as organisational change or missing data. See **Summary of Changes** for important changes about the 2014 data.

When making comparisons across Scotland, or interpreting the Costs Book data, it should be noted that individual NHS Boards/hospitals (e.g. Island Boards) can face; low volume of patients, fixed costs, economies of scale and rural settings which can result in substantial fluctuations in unit costs and case figures for some hospitals.

To aid user interpretation, footnotes are included at the bottom of tables where possible.

More information on Continuity of Data can be found within the **Summary Guidance** document, **Summary of Changes** document and **Costs Archive** webpage.

**Revisions statement**

Within the publication on the 2\textsuperscript{nd} of December 2014, the GDS figure for Western Isles was understated by £3.784m in respect of salaried dentists and should have read as £4.041m. These salaried costs were incorrectly reported within the medical and nursing staff costs within Community Services. All figures and reports in relation to this were subsequently revised on 23rd December 2014. Also, the 2014 Primary Medical Services figures for NHS Lothian and NHS Greater Glasgow and Clyde have subsequently been restated due to accounting changes (further details on this are provided on the R100 notes page); the figures in relation to this were revised on 18\textsuperscript{th} November 2015.

**Revisions relevant to this publication**

As stated above.

**Concepts and definitions**

The collection of costs data is supported by a number of guidance manuals and reference files. These include:

- Annual Accounts manual
- Costing Guidance manual
- Costs Book Reconciliation to Annual Accounts
- Scottish Financial Returns

Data included in each report and how the figures are calculated can be found within the **Report Logic**.

Additional costing information and guidance can be found within the **Reference** and **Financial Definitions** section of
### Relevance and key uses of the statistics

Scottish Health Service Costs (known as the Costs Book) is the only source of published costs information for NHSScotland (NHSS). The Costs Book provides a detailed analysis of how board operating costs, reported in board annual accounts, have been spent on patient care within NHS Scotland. Scottish Health Service Costs are published by ISD with the support of the Scottish Government Health Department (SGHD) and are also used for comparison across health care providers to ensure efficiency and to benchmark costs. The Costs Book publication ensures that comparative information on health service costs is publicly available. Other uses of the data include supporting NHS Boards, public health researchers and pharmaceutical organisations, in addition to fulfilling Freedom of Information Requests and Parliamentary Questions.

### Accuracy

The quality of these statistics are considered fit for publication. Robust quality assurance is carried out between ISD and NHS Boards to ensure accuracy and completeness. More information on Data Quality Assurance can be found within the [Summary Guidance](#) document.

Despite the efforts of the ISD Data Management team, there can be some data quality factors that are out with their control. For example:

-- Unavailability of some statistics such as theatre hours – in this case, NHS Boards are instructed to use estimates.

When making comparisons across Scotland, or interpreting the Costs Book data, it should be noted that individual NHS Boards/hospitals (e.g. Island Boards) can face; low volume of patients, fixed costs, economies of scale and rural settings which can result in substantial fluctuations in unit costs and case figures for some hospitals.

To aid user interpretation, any data quality issues or factors are footnoted at the bottom of tables where possible.

Information contained in Costs Book is primarily derived from [Scottish Financial Returns (SFRs)](#) which are compiled by Scottish Health Boards, and completed as part of their annual accounts cycle. NHS Board annual accounts are audited by an independent body before being agreed by the Scottish Government. While there is no audit of Costs Book, boards are required to show how the quantum of costs included in the Costs Book reconciles to expenditure and income reported in the Statement of Comprehensive
Net Expenditure (SOCNE) from the annual accounts. To support this process, the SG are responsible for providing NHS Boards with an Annual Accounts manual. ISD also issue data templates (SFR 29.0) to record this reconciliation. NHS Boards are also provided with comprehensive guidance on standard principles and recommended practices to be applied in the production of their cost information. One of the key principles is that the costing process should be transparent with a clear audit trail.

Completeness
A complete financial analysis is included for all relevant NHS Boards.

Comparability
Hospital bed information, hospital patient activity and staffing information are broadly comparable with other ISD publications. See Costs, Workforce and Hospital Care for more information. There is not a similar publication to the Costs Book for the NHS in other parts of the country. Therefore, these figures may not be comparable with other regions of the UK. For costs information for the NHS in England please see NHS Reference Costs.

Changes in accounting methodology and other factors mean that some figures for the current year are not comparable to previous years. Please see the relevant Summary of Changes document and the relevant notes pages for further information.

To make year on year figures as comparable as possible the costs for years prior to 2014 have been adjusted for inflation (fixed terms costs). This has been done by using HM Treasury’s GDP deflator. More information on this can be found by browsing the relevant pages on the Treasury website.

For important information about the 2014 data see Summary of Changes. File listings for previous years are also available from the Costs Archive.

Accessibility
It is the policy of ISD Scotland to make its web sites and products accessible according to published guidelines.

Coherence and clarity
The Costs Book is compiled annually and presents information on the boards that provide hospital and community care directly to patients. For 2014, this reflects health care expenditure within the 14 health board areas and at two special boards, namely the State Hospital and Golden Jubilee National Hospital. In addition to this, information on two other special boards that provide direct
patient care - Scottish Ambulance Service and National Services Scotland (including the Scottish Breast Screening Programme) - is shown separately in [Special Boards](#).

Statistics are presented within Excel spreadsheets and PDF. The following links provide short cuts to the 2014 data files for technical users:

files for technical users:

- **Reports** - Excel files designed for viewing (note: some files include macros)
- **Downloads** - Excel files designed for further data analysis
- **SFRs** - Excel files giving access to the source data

For important information about the 2013 data see [Summary of Changes](#). File listings for previous years are also available from the Costs Archive.

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A3 – Early Access details (including Pre-Release Access)

Pre-Release Access
Under terms of the "Pre-Release Access to Official Statistics (Scotland) Order 2008", ISD are obliged to publish information on those receiving Pre-Release Access ("Pre-Release Access" refers to statistics in their final form prior to publication). The standard maximum Pre-Release Access is five working days. Shown below are details of those receiving standard Pre-Release Access and, separately, those receiving extended Pre-Release Access.

Standard Pre-Release Access:
- Scottish Government Health Department
- NHS Board Chief Executives
- NHS Board Communication leads
- Internal Financial Performance Dept, Health Finance Directorate, Scottish Government

Extended Pre-Release Access
Extended Pre-Release Access of 8 working days is given to a small number of named individuals in the Scottish Government Health Department (Analytical Services Division). This Pre-Release Access is for the sole purpose of enabling that department to gain an understanding of the statistics prior to briefing others in Scottish Government (during the period of standard Pre-Release Access).
- Scottish Government Health Department (Analytical Services Division)
- Internal Financial Performance Dept, Health Finance Directorate, Scottish Government

Early Access for Management Information
These statistics will also have been made available to those who needed access to ‘management information’, ie as part of the delivery of health and care:
- Internal Financial Performance Dept, Health Finance Directorate, Scottish Government

Early Access for Quality Assurance
NHS Board Finance Departments
Internal Financial Performance Dept, Health Finance Directorate, Scottish Government
A4 – ISD and Official Statistics

About ISD
Scotland has some of the best health service data in the world combining high quality, consistency, national coverage and the ability to link data to allow patient based analysis and follow up.

Information Services Division (ISD) is a business operating unit of NHS National Services Scotland and has been in existence for over 40 years. We are an essential support service to NHSScotland and the Scottish Government and others, responsive to the needs of NHSScotland as the delivery of health and social care evolves.

Purpose: To deliver effective national and specialist intelligence services to improve the health and wellbeing of people in Scotland.

Mission: Better Information, Better Decisions, Better Health

Vision: To be a valued partner in improving health and wellbeing in Scotland by providing a world class intelligence service.

Official Statistics
Information Services Division (ISD) is the principal and authoritative source of statistics on health and care services in Scotland. ISD is designated by legislation as a producer of ‘Official Statistics’. Our official statistics publications are produced to a high professional standard and comply with the Code of Practice for Official Statistics. The Code of Practice is produced and monitored by the UK Statistics Authority which is independent of Government. Under the Code of Practice, the format, content and timing of statistics publications are the responsibility of professional staff working within ISD.

ISD’s statistical publications are currently classified as one of the following:

- National Statistics (ie assessed by the UK Statistics Authority as complying with the Code of Practice)
- National Statistics (ie legacy, still to be assessed by the UK Statistics Authority)
- Official Statistics (ie still to be assessed by the UK Statistics Authority)
- other (not Official Statistics)

Further information on ISD’s statistics, including compliance with the Code of Practice for Official Statistics, and on the UK Statistics Authority, is available on the ISD website.

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.