

Publication Summary



Resource Allocation Formula for NHSScotland

Results for financial year 2016/17

Publication date – 29 September 2015

About this Release

The Resource Allocation Formula is used to inform the budget allocations to territorial NHS Boards in Scotland. This publication presents target budget shares produced annually by the Information Services Division.

Key Points

- The Resource Allocation Formula is used in the allocation of around 70% of the total NHS budget between 14 territorial NHS Boards by the Scottish Government.
- The formula aims to predict healthcare needs based on the characteristics of the population.
- It covers a range of healthcare programmes: Acute hospital care; hospital care for Mental Health and Learning Difficulties, Care of the Elderly and Maternity; Community care and GP Prescribing.
- The final shares for 2016/17 may be different from the calculated target shares as the results are used to inform the final allocation, not to determine them.

Background

The 14 territorial NHS Boards in Scotland are responsible for providing healthcare services to the populations they serve. It is crucial that resources are distributed fairly across Scotland, taking account of the many factors that influence the need for healthcare in particular areas and the costs of supplying those services.

The formula uses the population of each NHS Board as the basis of its allocation. Adjustments are made for three factors that affect relative need for healthcare resources:

- the age/sex composition of the population;

- the additional needs due to morbidity and life circumstances and other factors;
- the unavoidable excess costs of delivering healthcare in different geographical areas.

The 2016/17 formula represents a 'full' update. That is, that all factors have been updated to use the latest available data sources.

For the hospital and community health services part of the formula, population projections are obtained from the National Records of Scotland. These projections are then adjusted ('re-based') using the most recent population mid-year estimates from NRS.

The Resource Allocation Formula replaced the 'Arbuthnott Formula' in 2009/10 after a major review by the NHSScotland Resource Allocation Committee.

Contact

General Enquiries: NSS.isdCOSTSINFO@nhs.net

Lynne Jarvis

Principal Information Analyst

lynne.jarvis@nhs.net

0131 275 6424

Sarah Touati

Information Analyst

sarah.touati@nhs.net

0131 314 1037

Ciaran McCloskey

Information Analyst

cmccloskey@nhs.net

0131 275 6270

Further Information

More information can be found on our [Resource Allocation Formula pages](#).

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 Health Department and others, responsive to the needs of NHSScotland as the delivery of health and social care evolves.

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.

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](http://www.isdscotland.org/About-ISD/About-Our-Statistics/) www.isdscotland.org/About-ISD/About-Our-Statistics/