

# Publication Report



## Scottish Health Service Costs

Year ended 31 March 2015

Publication date – 24 November 2015



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## Introduction

Scottish Health Service Costs (often referred to as the 'Cost Book') is published annually by ISD, with the support of the Scottish Government Health Department (SGHD). The Costs Book is the only source of published costs information for NHSScotland, and provides a detailed analysis of where its resources are spent. The information contained within this report is used in many applications; for example, to ensure greater efficiency by allowing benchmarking comparisons to be made between health care providers.

The Costs Book is currently structured to analyse around 95% of the NHSScotland net operating costs. This includes £10.8 billion of expenditure on the provision of hospital and primary care within the 14 territorial NHS Boards, the State Hospital, and the Golden Jubilee National Hospital. Information on two other special Boards that provide direct patient care – the Scottish Ambulance Service and National Services Scotland is also provided.

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. 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.

The information in the Costs Book is organised into hospital and primary care service categories. The primary care service is further split into community services and family health services. The range of services covered in each sector includes:

- **hospital services** - ranging from complex surgery by consultants at large city hospitals to outpatient clinics at rural community hospitals
- **community services** - home visits by district nurses, for example, or prevention services such as breast screening and health promotion
- **family health services** - services provided by the family doctor (GP) service and the "High Street" dentists, opticians and pharmacists.

Some of the Costs Book outputs compare expenditure in 2014/15 with that in previous years. The historic costs have been expressed both in 'cash terms' (not adjusting for inflation) and in 'real terms'. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor (the '[GDP deflator](#)') determined by HM Treasury. Rather than expressing simply the quantum of money which was spent in any previous year, real terms costs therefore show approximately what the services provided in that year would have cost in 2015.

Information contained in the Costs Book is primarily derived from [Scottish Financial Returns \(SFRs\)](#) which are compiled by NHS 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 is

responsible for providing NHS Boards with an [Annual Accounts manual](#). ISD also issue [data templates \(SFR 29.0\)](#) to record this reconciliation.

This report gives an overview of data contained within the Costs Book 2015. (All dates refer to financial years – for example, ‘2015’ refers to the year beginning in April 2014 and ending March 2015.) Many of the figures in this report have been rounded. Please see the tables outlined in the ‘List of Tables’ for more precise figures.

Some figures for the current year may not be directly comparable to those for previous years. While every attempt is made to make comparisons of the data possible, changes in accounting methodology must be considered along with other factors such as organisational change or missing data. See [Summary of Changes](#) for important changes about the 2015 data.

## Key points

The following are some of the key findings for 2015:

- Total NHS Board operating costs increased by 3.4% to £10.8bn in cash terms, not adjusting for inflation, compared to 2013/14. In real terms, once inflation has been taken into account, total operating costs increased by 2.0% compared to 2013/14.
- Almost half of the total operating costs (47.8% or £5.2bn) were accounted for by hospital and community sector staff, excluding laboratory staff.
- Expenditure within the hospital sector was £6.1bn, an increase of 3.4% in cash terms compared to 2013/14. In real terms, the increase was 2.0% compared to the previous year. The hospital sector accounts for the largest part of expenditure (56.9%).
- Within the community sector, £1.8bn was spent, a cash terms increase of 4.9% compared to 2013/14. The corresponding real terms increase was 3.4%. 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 £2.5bn in 2014/15 – a cash terms increase of 2.6% and a real terms increase of 1.2% compared to 2013/14.

## Results and Commentary

### Overview

#### Total Operating Costs (Table 1)

- In 2015, £10.8bn was spent in operating costs by the 14 geographic NHS Boards and two of the eight special boards, namely the State Hospital and Golden Jubilee National Hospital, which provide additional hospital services.
- In cash terms, the total board operating costs increased by 3.4% compared to 2014.
- In real terms, the total board operating costs in 2015 were slightly higher than in 2014, with an increase of 2.0%.
- Over the last four years, the overall spend on health care has increased in cash terms from £10.0bn in 2012 to £10.8bn in 2015. In real terms, the overall spend has increased from £10.5bn in 2012 to £10.8bn in 2015.

**Table 1: Trends in Operating Costs, 2012–2015**

Financial Year <sup>1</sup>	Cash terms Operating Costs (£000)	Change on Previous Year (cash terms)	Real terms <sup>2</sup> Operating Costs (£000)	Change on Previous Year (real terms)
2012	10,027,482	-----	10,544,256	-----
2013	10,203,983	1.8%	10,559,412	0.1%
2014	10,446,415	2.4%	10,591,949	0.3%
2015	10,800,916	3.4%	10,800,916	2.0%

#### Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

### NHS Costs by sector

Total operating costs in 2015 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. Trends in these sectors over the last four years, in both cash terms and real terms, are shown in Table 2 and Figures 3 and 4.

Figure 1: Total Operating Costs by sector, 2015

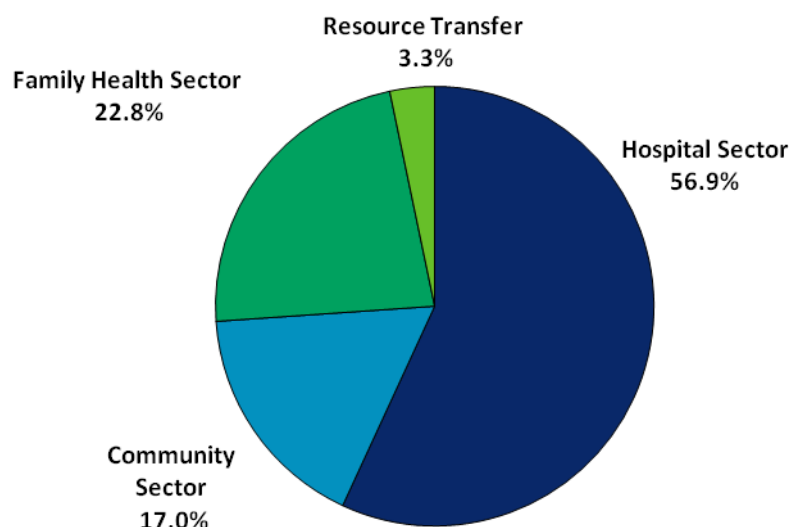


Table 2: Trends in Operating Costs (£bn) by sector, 2012–2015

Operating Costs (£bn)	Financial Year <sup>1</sup>							
	Cash Terms				Real Terms <sup>2</sup>			
	2012	2013	2014	2015	2012	2013	2014	2015
Total	10.03	10.20	10.45	10.80	10.54	10.56	10.59	10.80
Hospital	5.65	5.81	5.94	6.15	5.94	6.02	6.03	6.15
Community	1.63	1.68	1.75	1.84	1.72	1.74	1.78	1.84
Family Health	2.41	2.37	2.40	2.46	2.54	2.46	2.43	2.46
Resource Transfer	0.33	0.34	0.35	0.36	0.35	0.35	0.36	0.36

Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1<sup>st</sup> April 2010 and ends 31<sup>st</sup> March 2011).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

Figure 2: Trends in Cash Terms Operating Costs by sector, 2012–2015

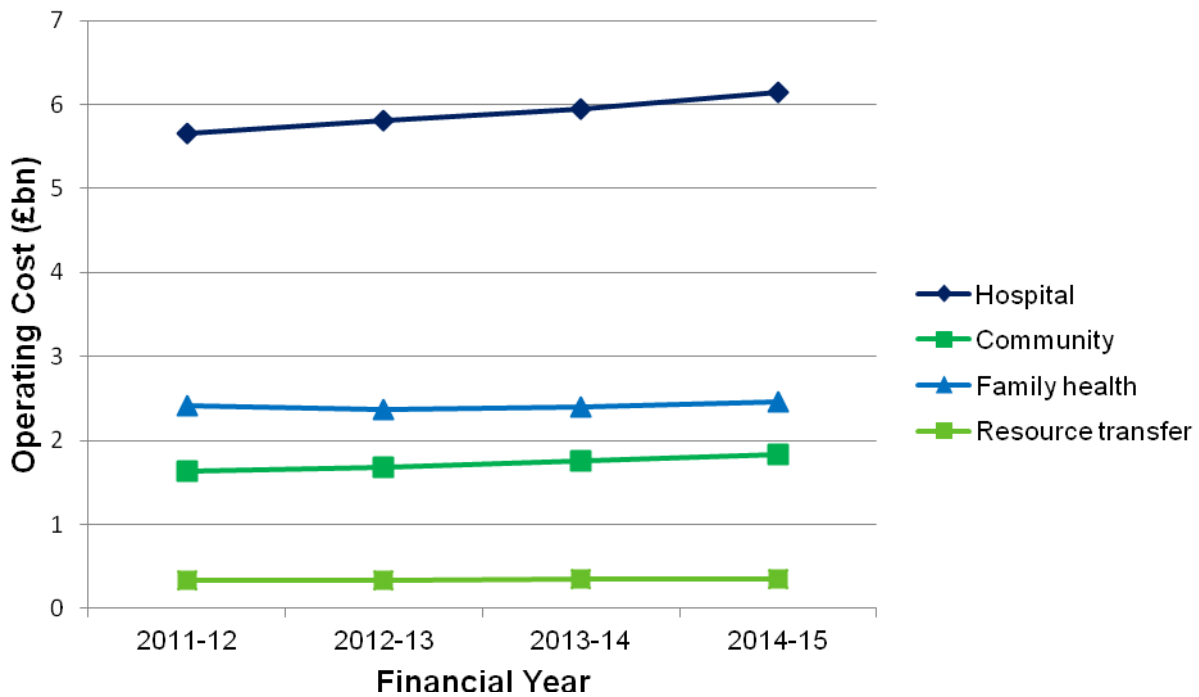
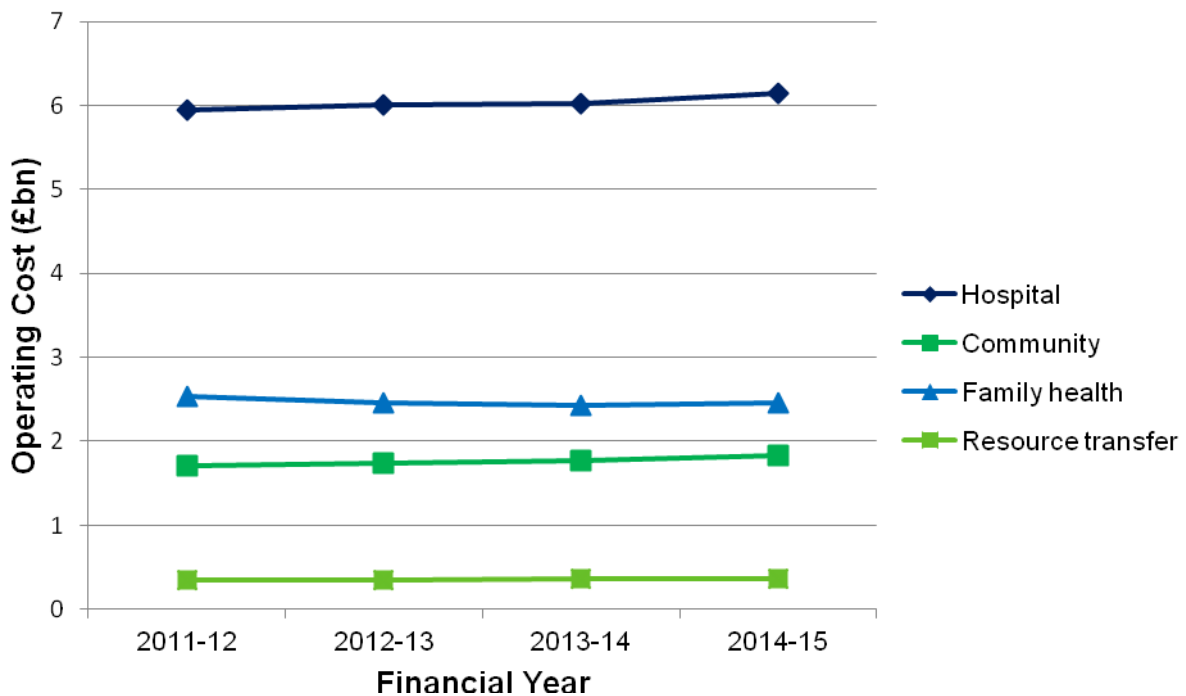


Figure 3: Trends in Real Terms Operating Costs by sector, 2012–2015



Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2011 begins on 1<sup>st</sup> April 2010 and ends 31<sup>st</sup> March 2011).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

### Hospital Sector

- The hospital sector accounts for the largest part of expenditure (56.9% or £6.1bn, 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 £0.5bn or 8.8% since 2012 (Table 2 and Figure 2). In real terms, costs have increased by 3.4% in the same time period.
- Staff costs, excluding laboratory staff, make up a sizeable percentage of hospital sector costs (66.0% or £4.1bn) in 2015.

### Community Sector

- The community sector accounts for around 1/6<sup>th</sup> of total operating costs (17.0% 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 12.6% since 2012 (Table 2); in real terms the increase was £0.1bn or 7.0% (Table 2).

### Family Health

- The second largest area of expenditure is the family health sector (23% or £2.5bn, 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 2.0% in cash terms since 2012, but there was a decrease from 2012 to 2013 (Table 2 and Figure 3). In real terms, costs have fallen by 3.0% since 2012, and fallen every year, except for 2015 in which they have risen very slightly compared to 2014.

### Resource Transfer to Local Authority

- Resource transfer includes NHS funds transferred to local authorities for the continued care of patients (£356m or 3.4%, Figure 1). In cash terms, costs in this sector have increased by 7.3% since 2012. In real terms, they have increased by 2.0%.

## Further Analysis of Costs Data

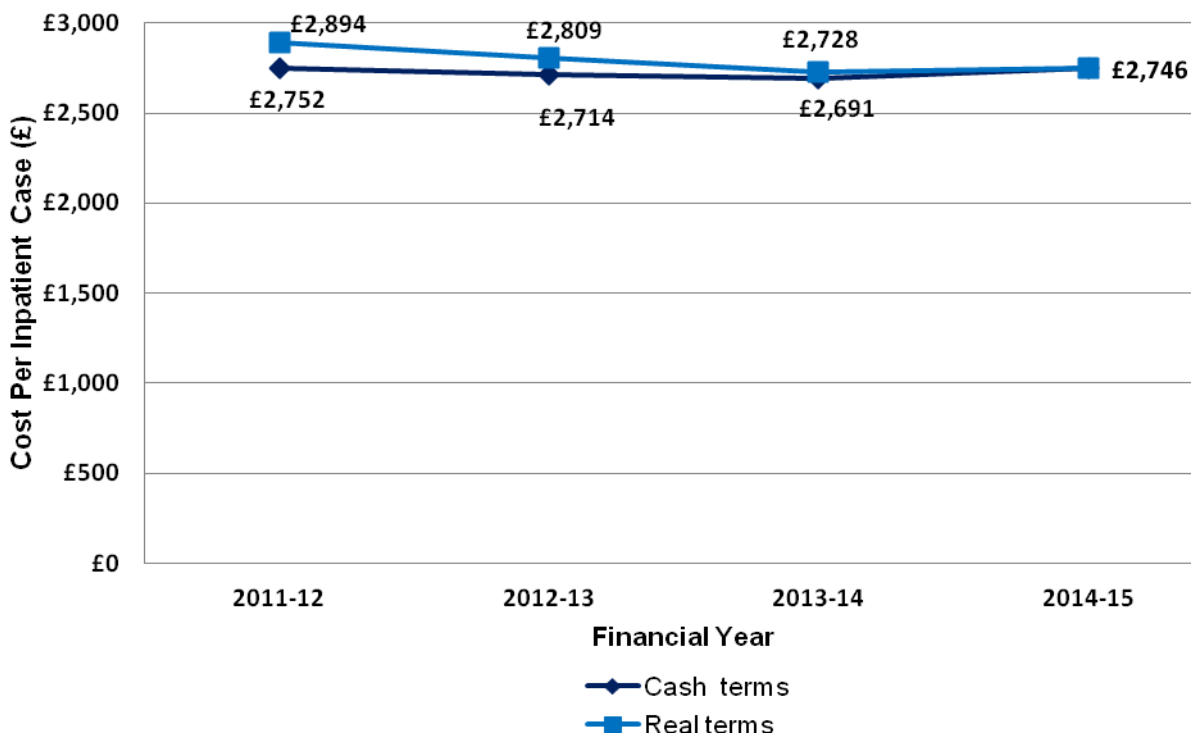
### Hospital Sector (£6.1bn)

- Inpatients are a major source of hospital service activity, with over one million cases recorded in Scotland in 2015. The average cost of an inpatient case in Scotland was £2,746 in 2015 (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 fluctuated slightly over the last four years but is lower in 2015 than in 2012 (Figure 4).
- The cost of inpatient treatment varies across NHS Boards in Scotland (Figure 5). In 2015, the cost per inpatient case ranged from £1,944 in NHS Borders to £5,756 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).
- The cost of treating long stay inpatients has varied since 2012 in both cash and real terms (Figure 6). In 2015, expenditure decreased by £2.5m in cash terms compared to 2014; in real terms this was a decrease of £11.7m.

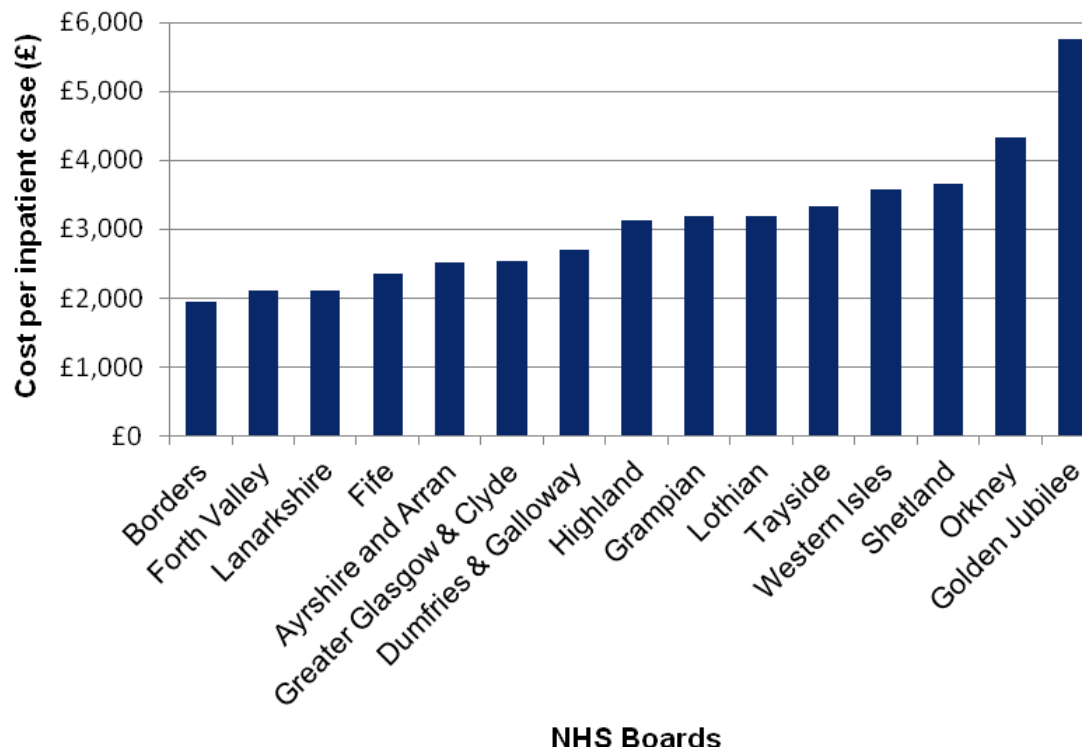
**Figure 4: Trends in Costs per Inpatient Case, 2012–2015**



Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

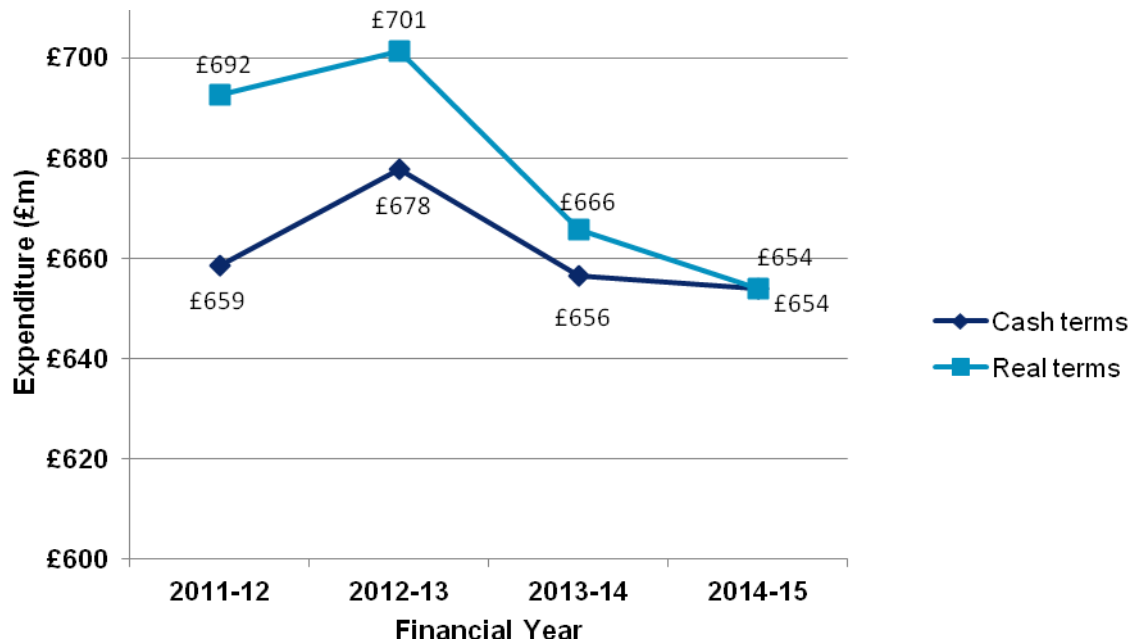
Figure 5: Cost per Inpatient Case by NHS Board, 2015



Note:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).

**Figure 6: Trends in Expenditure for long stay patients, 2012–2015**



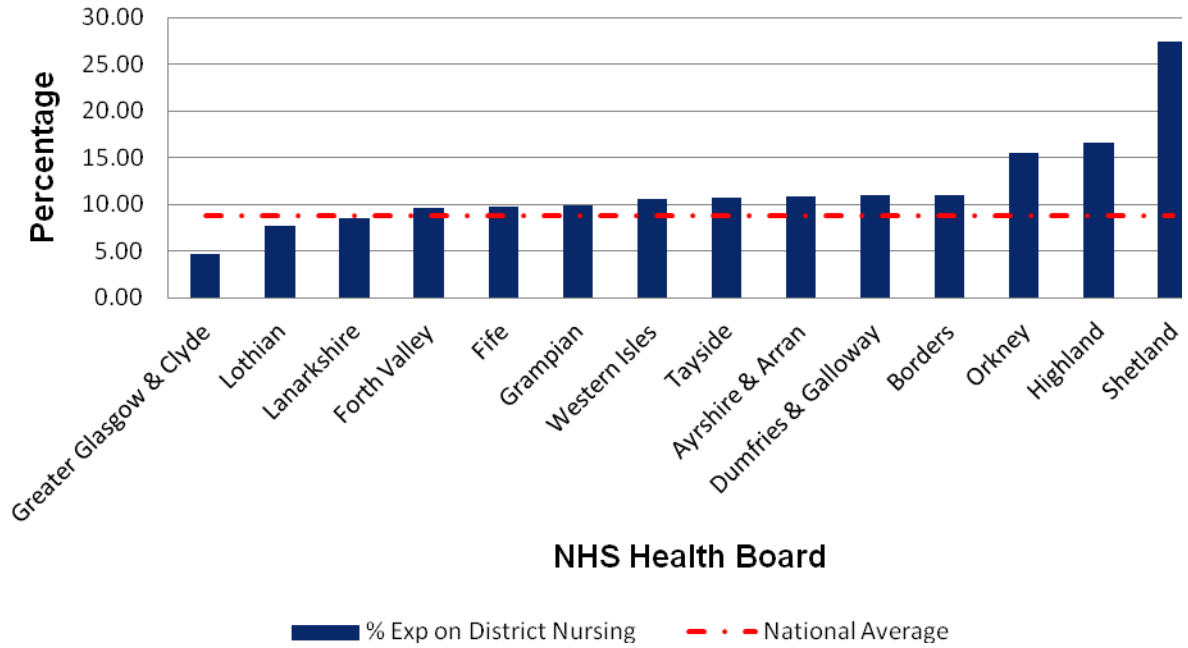
Notes:

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 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
3. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

**Community Sector (£1.8bn)**

- About £1.8bn was spent within the community sector in 2015 with staff costs, excluding laboratory staff, accounting for 60.1% 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: £161.7m on district nursing, £39.0m on community midwifery, £87.4m on child health and £81.3m 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 (Figure 7) which is probably due to greater accessibility of health centres. Less densely populated areas such as the Island NHS Boards (NHS Western Isles – 10.6%, NHS Orkney – 15.5%, NHS Shetland – 27.4%) spent significantly more on district nursing relative to their overall community costs.
- In 2015, drugs expenditure made up 74.7% 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.

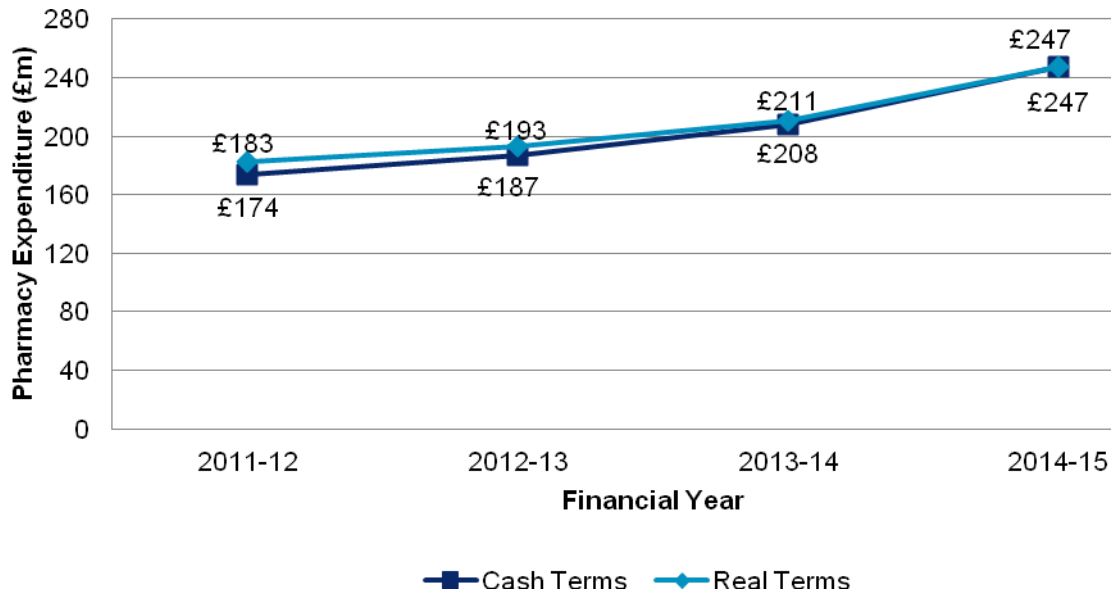
**Figure 7: Percentage of Community Costs Spent on District Nursing by NHS Board, 2015**



Note:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).

**Figure 8: Trends in Community Pharmacy Expenditure, 2012–2015**



Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

**Family Health Sector (£2.5bn)**

- The family health sector includes local GP practices as well as local pharmacy, dental and ophthalmic services.
- In 2015, almost half (£1.2bn or 48.4%) of family health sector costs was spent on pharmaceutical services (Figure 9). Drugs expenditure makes up 83.0% (£989m) of pharmaceutical services costs.
- The amount of money spent on drugs has increased since 2014 in both cash and real terms (Figure 10). In cash terms, there has been 5.1% increase (£48.4m) over this period. In real terms, this is an increase of 3.8% (£35.3m).
- In 2015, the cost of delivering primary care medical services at 987 GP practices in Scotland was £771m; an increase of 1.1% in cash terms compared to 2014. The cost of providing general dental services and general ophthalmic services was £399m and £101m respectively (Figure 9).

Figure 9: Family Health Sector Operating Costs, 2015

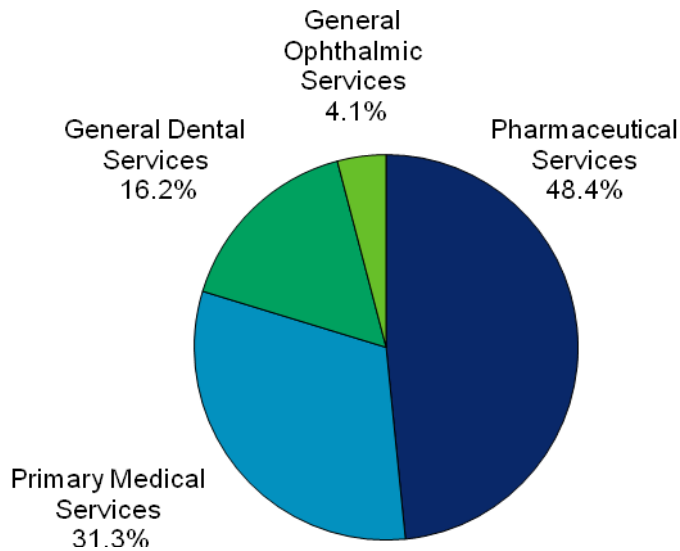
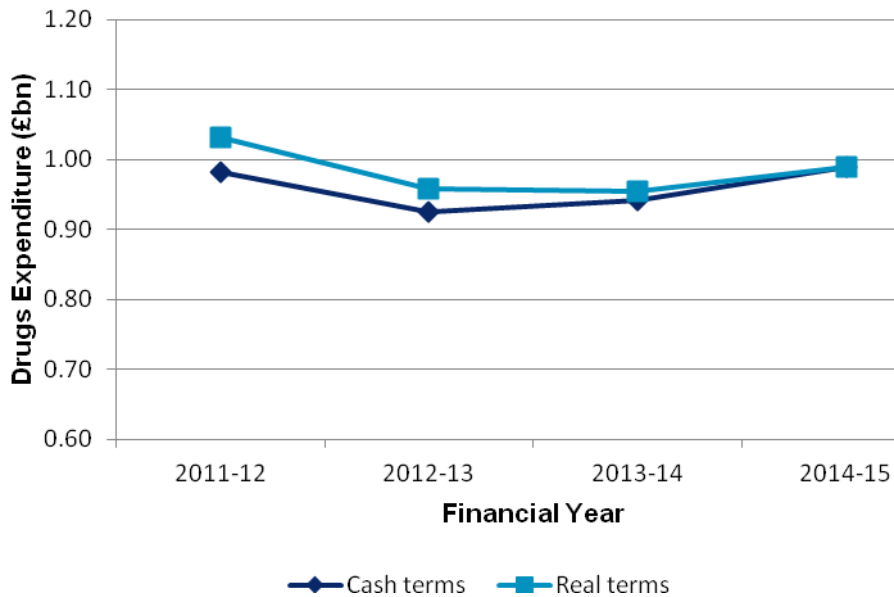


Figure 10: Trends in Family Health Sector Drugs Expenditure, 2012–2015



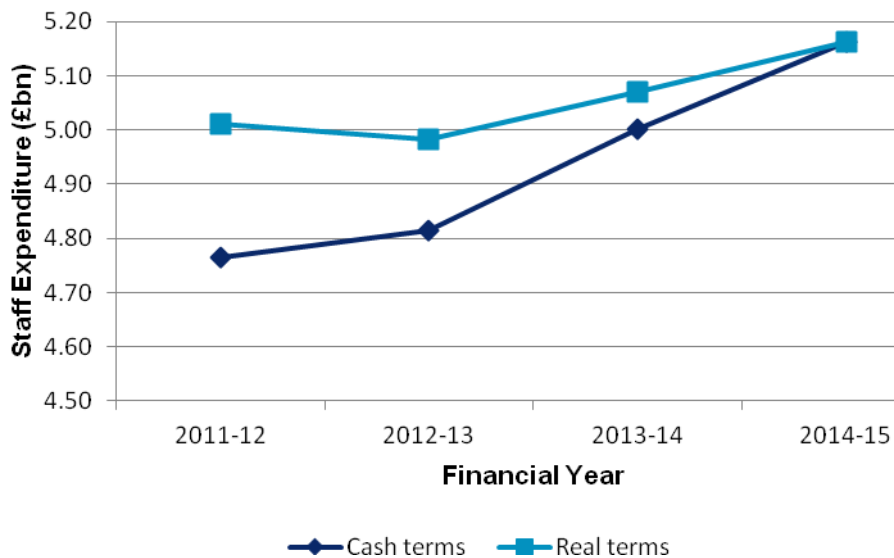
Notes:

1. Financial year refers to the period of time beginning in April and ending in March (e.g. Financial Year 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
2. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

**Staff Costs**

- In 2015, almost half of the total operating expenditure (47.8% or £5.2bn) 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 increased year on year since 2012 in cash terms (Figure 11). In real terms, staff costs increased overall in this period.
- In 2015, staff costs increased from £5.0bn to £5.2bn in cash terms compared to 2014; the corresponding increase in real terms was £5.1bn to £5.2bn.

**Figure 11: Trends in staff costs, 2012–2015**



Notes:

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 2012 begins on 1<sup>st</sup> April 2011 and ends 31<sup>st</sup> March 2012).
3. To obtain 'real-terms' figures, the costs have been divided by an adjustment factor determined by HM Treasury. Real terms costs show approximately what the services provided in that year would have cost in 2015.

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 2015 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 2015 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 1<sup>st</sup> April 2012 and ends 31<sup>st</sup> 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 infrastructure 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 from Boards.

Additional costing information and guidance can be found within the [Reference](#) and [Financial Definitions](#) sections of the ISD website.

## List of Tables

Table No.	Name	Time period	File & size
<a href="#">R100</a>	Executive Summary, for Scotland and each board	2014-2015	Excel [322kb]
<a href="#">R100T</a>	Expenditure and activity figures for the last 5 years, for Scotland and each board	2011-2015	Excel [453kb]
<a href="#">R086</a>	NHS Board Annual Accounts	2015	Excel [22kb]



## Contact

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## Further Information

Further information on costs data for 2015 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)

Metadata Indicator	Description
Publication title	Scottish Health Service Costs, year ended 31 March 2015
Description	Scottish Health Service Costs (known as 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.
Theme	Health and Social Care
Topic	Hospitals and Health Care
Format	Web pages, Excel and PDF files
Data source(s)	<p>Information contained in the Costs Book is primarily derived from <a href="#">Scottish Financial Returns (SFRs)</a> which are compiled by NHS 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 SFRs 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 <a href="#">Costs Guidance Manual</a>. 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.</p> <p>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 <a href="#">Summary Guidance</a> document and the Costs Book <a href="#">Reference</a> section of the ISD website.</p>
Date that data are acquired	June to October 2015
Release date	24 November 2015
Frequency	Annual
Timeframe of data and timeliness	April 2014 to March 2015
Continuity of data	<p>Some figures for the current year are not directly comparable to those for previous years. While every attempt is made to make comparisons of the data possible, changes in accounting methodology must be considered along with other factors such as organisational change or missing data. See <a href="#">Summary of Changes</a> for important changes about the 2015 data.</p> <p>When making comparisons across Scotland, or interpreting</p>

	<p>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.</p> <p>To aid user interpretation, footnotes are included at the bottom of tables where possible.</p> <p>More information on Continuity of Data can be found within the <a href="#">Summary Guidance</a> document, <a href="#">Summary of Changes</a> document and <a href="#">Costs Archive</a> webpage.</p>
<p>Revisions statement</p>	<p>Figures contained within the <a href="#">R100</a> and <a href="#">R100T</a> reports may be subject to change in future publications. On a yearly basis, there can be numerous changes to the Costs Book data templates and to the accounting guidance. Every attempt is made to make year-on-year comparisons of the data possible.</p>
<p>Revisions relevant to this publication</p>	<p>Any revisions relevant to this publication will be contained within the <a href="#">R100</a> and <a href="#">R100T</a> reports.</p>
<p>Concepts and definitions</p>	<p>The collection of costs data is supported by a number of guidance manuals and reference files. These include:</p> <p><a href="#">Annual Accounts manual</a></p> <p><a href="#">Costing Guidance manual</a></p> <p><a href="#">Costs Book Reconciliation to Annual Accounts</a></p> <p><a href="#">Scottish Financial Returns</a></p> <p>Data included in each report and how the figures are calculated can be found within the <a href="#">Report Logic</a>.</p> <p>Additional costing information and guidance can be found within the <a href="#">Reference</a> and <a href="#">Financial Definitions</a> section of the <a href="#">ISD website</a>.</p>
<p>Relevance and key uses of the statistics</p>	<p>Scottish Health Service Costs (often referred to as the ‘Cost Book’) is published annually by <a href="#">ISD</a>, with the support of the <a href="#">Scottish Government Health Department (SGHD)</a>. The Costs Book is the only source of published costs information for <a href="#">NHSScotland</a>, and provides a detailed analysis of where resources are spent in <a href="#">NHSScotland</a>. The Costs Book publication ensures that comparative information on health service costs is publicly available. The information is used in many applications: for example, to ensure greater efficiency by allowing benchmarking comparisons to be made between healthcare providers; and to predict future healthcare resource need in the context of resource allocation. Other uses of the data include supporting <a href="#">NHS Boards</a>, public health researchers and pharmaceutical organisations, and fulfilling <a href="#">Freedom of Information Requests</a> and <a href="#">Parliamentary Questions</a>.</p>
<p>Accuracy</p>	<p>The quality of these statistics is such that they are</p>

	<p>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 <a href="#">Summary Guidance</a> document.</p> <p>Despite the efforts of the ISD Data Management team, there can be some data quality factors that are outwith their control. For example, unavailability of some statistics such as theatre hours – in this case, NHS Boards are instructed to use estimates.</p> <p>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.</p> <p>To aid user interpretation, any data quality issues or factors are footnoted at the bottom of tables where possible.</p> <p>Information contained in Costs Book is primarily derived from <a href="#">Scottish Financial Returns (SFRs)</a> which are compiled by NHS 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 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 is responsible for providing NHS Boards with an <a href="#">Annual Accounts manual</a>. ISD also issue <a href="#">data templates (SFR 29.0)</a> 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.</p>
<p>Completeness</p>	<p>A complete financial analysis is included for all relevant NHS Boards.</p>
<p>Comparability</p>	<p>Hospital bed information, hospital patient activity and staffing information are broadly comparable with other ISD publications. See <a href="#">Costs</a>, <a href="#">Workforce</a> and <a href="#">Hospital Care</a> 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 <a href="#">NHS Reference Costs</a>.</p> <p>Changes in accounting methodology and other factors mean that some figures for the current year are not</p>

	<p>comparable to previous years. Please see the relevant Summary of Changes document and the relevant notes pages for further information.</p> <p>To make year on year figures as comparable as possible the costs for years prior to 2015 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 <a href="#">Treasury website</a>.</p> <p>For important information about the 2015 data see <a href="#">Summary of Changes</a>. File listings for previous years are also available from the <a href="#">Costs Archive</a>.</p>
Accessibility	It is the policy of ISD Scotland to make its web sites and products accessible according to <a href="#">published guidelines</a> .
Coherence and clarity	<p><b>Scottish Health Service Costs reports on how £10.8 billion of operating costs were spent in 2014/15 in providing hospital and primary care to patients, through geographical NHS Boards, the State Hospital and the Golden Jubilee National Hospital. Information on expenditure in the Scottish Ambulance Service and in National Services Scotland (including the Scottish Breast Screening Programme) is also provided.</b></p> <p>Statistics are presented within Excel spreadsheets and PDF documents. The following links provide short cuts to the 2015 data files for technical users:</p> <p><a href="#">Reports</a> – Excel files designed for viewing (note: some files include macros)</p> <p><a href="#">Downloads</a> – Excel files designed for further data analysis</p> <p><a href="#">SFRs</a> – Excel files giving access to the source data</p> <p>For important information about the 2015 data see <a href="#">Summary of Changes</a>. File listings for previous years are also available from the <a href="#">Costs Archive</a>.</p>
Value type and unit of measurement	Data included in each report and how the figures are calculated can be found within the <a href="#">Report Logic</a> .
Disclosure	The <a href="#">ISD protocol on Statistical Disclosure Protocol</a> is followed.
Official Statistics designation	National Statistics
UK Statistics Authority Assessment	National Statistics
Last published	02 December 2014
Next published	24 November 2015
Date of first publication	1960s, but in its current format/content since 2000
Help email	<a href="mailto:NSS.isdCOSTSINFO@nhs.net">NSS.isdCOSTSINFO@nhs.net</a>
Date form completed	05 November 2015

## **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.

### **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

### **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.