



General Register Office for Scotland
information about Scotland's people

Paper NHSCR GB 2/09

NHSCR Memorandum Trading Account

June 2009

Background

1.1 The NHSCR is self-financing, with income from users (principally the NHS and local authorities) defraying all costs. This is supported by a Memorandum Trading Account (MTA), which extracts from GROS's audited accounts the component which is attributable to the NHSCR, as the basis for calculating the charge to users (principally the NHS and local authorities).

2. Methodology

2.1 Historically, the entire costs of the NHSCR and of GROS's Vital Events Branch (which essentially takes the raw data from the registration of births etc and translates them into a form which can be used for the purposes of the NHSCR and demographic statistics) were combined, and the costs recorded in the resulting MTA were met by the SE's Health Department. As discussed at the last meeting of the Board, that arrangement had to be reviewed with the involvement of the NHSCR in the Citizen Account, which meant that local authorities became a major user. The review also allowed us to reflect the fact that the output of the Vital Events Branch does not relate entirely to the NHSCR.

2.2 At the NHSCR GB meeting in December 2008, a copy of a revised MTA showing budget figures for 2007-08 to 2010-11 was tabled. It was agreed that this method would be adopted from 2008-09. The 2007-08 budget was recast to fit the revised methodology for comparative purposes. An updated copy showing actual outturn figures for 2007-08 was circulated on 5 February and is attached again here for convenience.

3. Proposed revised methodology

3.1 We have since looked again at the methodology and propose further revisions, shown in the 2 June version of the MTA which is attached. On reflection, we consider that a proportion of the costs of Vital Events Branch is properly attributable to the work of the NHSCR, rather than demographic statistics. The revised version reflects an approximate split of the costs of Vital Events Branch, with 25% attributed to the NHSCR. It also updates the 2008-09 costs to show final out-turn, and adds a column for the 2009-10 budget, which has now been set.

3.2 The revised MTA attributes to the NHSCR:

- Direct costs met from the NHSCR budget (£469,470 in 2008-09). This includes monthly pay, travel and subsistence and consultancy costs;
- Costs directly attributable to the NHSCR but met by central GROS budgets (£194,370 in 2008-09). This includes accommodation and IT.
- 25% of the costs of Vital Events Branch (£153,111 in 2008-09).
- Indirect GROS costs (£168,361 in 2008-09). This includes support and advice on finance, training, purchasing and contract management, corporate planning, IT management and security and senior management. These costs are calculated on the number of staff in the NHSCR as a proportion of the total staff of GROS (8.16% in 2008-09).

3.3 The NHSCR's costs, less direct receipts from medical researchers, are divided between the two main users on the basis of the NHSCR staff time spent on the work for the NHS and for local authorities. This will be reviewed annually.

3.4 To reflect the fact that the out-turn for a particular year may not match the budget, we propose to set an estimated charge for each user at the time the budget is set, but to adjust the charge (upwards or downwards) in the light of performance against budget at the two main budget reviews – the Autumn Budget Revision in September and the Spring Budget Revision in December. The actual amount, thus adjusted, would be paid towards the end of the financial year as at present.

4. Conclusion

4.1 The Governance Board is requested to consider and approve the revised proposed methodology.

**General Register Office for Scotland
June 2009**