

Guidance on Excess Treatment Costs Subvention

February 2017

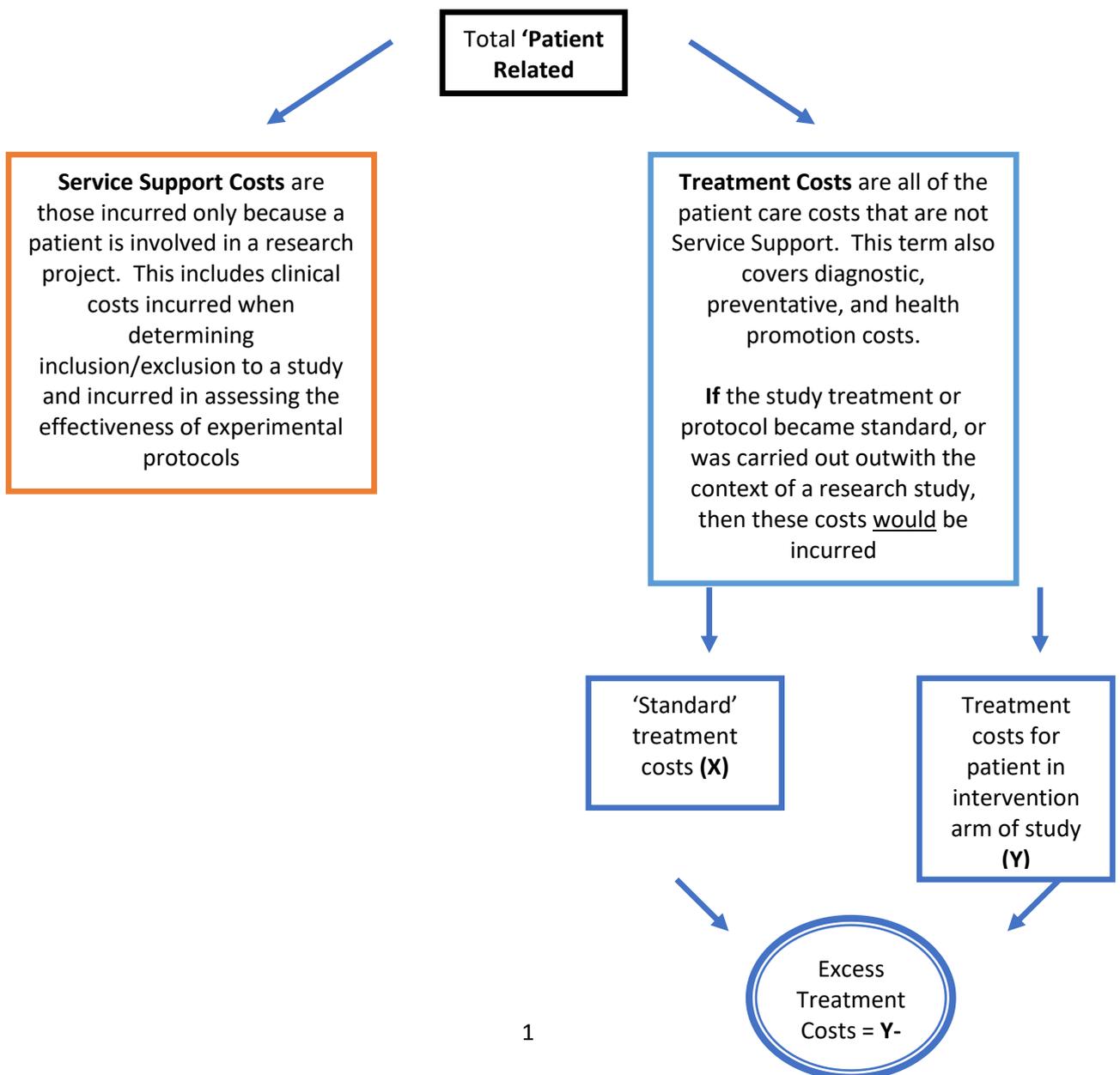
The background principles to the funding of excess treatment costs were established in the Departmental letter **MEL(1997)31** in June 1997 and further reinforced in **HDL(2005)2** in January 2005.

Under these instructions NHS Scotland is obliged to ensure that patient care services associated with R&D are provided and funded efficiently through normal commissioning arrangements. This includes excess treatment costs. Consideration to grant a subvention award will be given in exceptional circumstances only (see financial threshold below).

This Guidance should be read in conjunction with the **CSO policy on Subventions for Excess Treatment Costs**.

Definitions of NHS R&D Costs

Further definitions of NHS R&D Costs can be found in the AcoRD guidance which can be downloaded from the NRS website.



Research Costs

These are costs that can be attributed to particular R&D activities (generally projects and programmes, but also training, dissemination, etc.), excluding those which can be regarded as Service Support, Treatment or R&D Infrastructure Costs.

As such they may cover the costs of developing ideas, data collection and analysis, writing up, etc. e.g. staff time, consumables, travel and subsistence and items of equipment, etc needed specifically for the activity in question.

Considerations

The study should be eligible for CSO support

(Refer to the most recent Funding Guidance document on the NRS website)

The costs must meet the definition of excess treatment costs.

In relation to agreeing what meets this definition CSO will consider any treatment routinely provided in any participating board or included in a clinical guideline or medicine recommended by SMC as a standard treatment cost, and will not consider the funding of these as 'excess treatment costs', even if this is not currently being provided in the Board applying for the subvention.

Subventions for 100% of excess treatment will be considered for those ETCs over and above the threshold set per NHS Board over the full term of the trial.

Three thresholds have been set based on Board allocation/population. The thresholds are:

£50k for NHS Greater Glasgow,
£30K for NHS Lothian, Lanarkshire and Grampian
£20k for the remaining Scottish Boards

All offers of subvention will be subject to capacity of the relevant CSO budget line to cover the costs. If the budget is under pressure, or costs are particularly high the Board contribution may have to exceed the applied thresholds.

Value for Money

The additional expenditure of the ETCs must be justified in terms of

1. Relevance to NHSScotland or Scottish patients
2. Its contribution to the existing knowledge base
3. Likelihood of the findings being adopted in Scotland

Application

Applications should be made using the applications templates available on the NRS Website to:

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David.hood@gov.scot
Scottish Government
Chief Scientist Office
Room GR
St Andrews House