



# THE SCOTTISH OFFICE

NHS  
MEL (1993)45

## National Health Service in Scotland Management Executive

St. Andrew's House  
Edinburgh EH1 3DG

Dear Colleague

### NHS ENDOWMENT FUNDS: SCOTTISH HOSPITAL TRUST SCHEME 1993

#### Summary

1. The above scheme sets out the method for distributing Scottish Hospital Trust (SHT) endowment income. A copy of the Statutory Instrument is attached. This letter informs General Managers and Chief Executives of the effects of the scheme and action to be taken.

#### Background

2. This scheme came into force on 18 February 1993 and allows for the distribution of SHT endowment income to both health boards and NHS Trusts. Distribution is to be made on the basis of agreement between Health Boards and NHS Trusts, based on the identification of the original endowments as transferred to the SHT in 1972. Thus hospitals with an identified link to the original endowments should receive the appropriate share of income derived from that endowment.

#### Action

3. Health Boards and NHS Trusts within the health board area must work together in identifying and agreeing due divisions of SHT endowment income. Records held by the Health Board, hospitals and the Secretaries to the SHT should be used to assist in this process.

4. On reaching agreement, both parties must inform the Secretaries to the SHT of their agreement. The division of shares should be reported as a percentage share of the total SHT endowment fund based on the Health Board's share of that fund. For example, if a Health Board has 12% of the total SHT endowment fund and after agreement an NHS Trust receives 25% of the boards share, the SHT should be informed as follows:-

Health Board share	9%
NHS Trust share	3%
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TOTAL	12%

COMMON SERVICES AGENCY

RECEIVED  
- 5 APR 1993

FILE No. 1993

REFERRED TO

29 March 1993

#### Addressees

For action:  
General Managers:  
Health Boards;  
State Hospital

Chief Executives and  
Chief Executive  
Designate, NHS Trusts

For information:  
Directors of Finance:  
Health Boards;  
NHS Trusts;  
prospective  
NHS Trusts.

To be copied to Unit  
General Managers and  
Endowment Managers.

#### Enquiries to:

Mr A Pinkerton  
NHS Management  
Executive 7  
Room 254A  
St Andrew's House  
EDINBURGH EH1 3DE  
Tel: 031-244 2363  
Fax: 031-244 2683

or

Miss C Hope  
Tel: 031-244 2360

This example illustrates the method, however true reporting should be to 5 decimal places.

5. As with previous schemes, SHT income under the 1993 SI is for use for services or research within the NHS as provided for in the National Health Service (Scotland) Act 1978 as amended. However, unlike previous schemes, this SI no longer includes elements such as a 'per bed allocation' or a '90% - 10% division between hospitals and Health Board'. Though Health Boards do not have a direction in the SI allowing a retention of SHT income, this does not bar them from doing so provided this is agreed between board and NHS Trust. Health Boards have discretion over the final distribution of those funds that they retain.

6. Payments to health bodies, in future, will be made 3 times during the year as follows:-

6.1 Approximately June, comprising balance of income to 31 March;

6.2 October, comprising income accrued for financial year to 30 September; and

6.3 March, comprising accrued income from 1 October to 28 February.

Payment will be made directly to Health Boards and NHS Trusts from the SHT secretariat.

7. NHS Trusts will only be due SHT endowment income from the date of their establishment, generally 1 April in any year. Negotiations on division of shares should be undertaken earlier. However the unit will only receive SHT income as apportioned by the Health Board prior to the official establishment date.

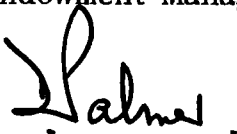
8. The address and contact at the Scottish Hospital Trust is:-

Mr Simon A MacKintosh or Mrs Gillian Forsyth  
Secretary  
Scottish Hospital Trust  
16 Hope Street  
Charlotte Square  
EDINBURGH  
EH2 4DD

Phone: 031-226 2561 Fax: 031-225-4575

9. Should agreements not be reached due to disputed share entitlements, the Management Executive should be consulted.

10. This letter should be copied to Unit General Managers and Endowment Managers.



D J PALMER  
Deputy Director of Finance  
NHS in Scotland

3. How will this New Post reduce Juniors' Hours?

(Please provide specific examples of how the hours will be reduced, attaching, if appropriate, old and new rotas and examples of shift working and what proportion involve hours actually worked rather than hours on duty etc as an appendix to your submission.)

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4. What other options have been considered?

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5. Why have these options been rejected?

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Date ..... Signed  
..... Position

Have you read the attached notes on the completion of this form?

1993 No. 372 (S.40)

**NATIONAL HEALTH SERVICE, SCOTLAND**

**The Scottish Hospital Trust Scheme 1993**

*Made* - - - - - 17th February 1993

*Coming into force* 18th February 1993

The Secretary of State, in exercise of the powers conferred on him by section 11 of and paragraph 7 of Schedule 6 to the National Health Service (Scotland) Act 1978(a) and of all other powers enabling him in that behalf, having given Health Boards, National Health Service Trusts and the body charged with the management of the state hospital(b) an opportunity to make representations under paragraph 7(2) of Schedule 6 to the said Act of 1978, and having had regard in terms of paragraph 7(4) of the said Schedule to the arrangements for the distribution of income made under the Scottish Hospital Trust Scheme 1972(c), hereby makes the following scheme, a draft of which has been laid before and approved by a resolution of each House of Parliament:-

**Citation, commencement and interpretation**

1.—(1) This Scheme may be cited as the Scottish Hospital Trust Scheme 1993 and shall come into force on the day after the day on which it is made.

(2) In this Scheme—

“the 1971 Act” means the Hospital Endowments (Scotland) Act 1971(d);

“the 1978 Act” means the National Health Service (Scotland) Act 1978;

“allocated relevant endowments” means the relevant endowments for which a Health Board may hold a certificate issued to it by the Trust in terms of regulation 6 of the Scottish Hospital Trust Regulations 1972(e);

“NHS Trust” means a National Health Service Trust constituted under section 12A of the 1978 Act(f);

“percentage share” means the proportion in percentage terms which a Health Board’s allocated relevant endowments added to any property accepted by the Trust in relation to that Health Board in pursuance of paragraph 4(f) of Schedule 6 of the 1978 Act(g) bears to the total of relevant endowments held by the Trust and any property accepted by the Trust in pursuance of the said paragraph 4(f);

“relevant endowments” means endowments referred to in section 11(3) of the 1978 Act;

“the Trust” means the Scottish Hospital Trust constituted under section 11 of the 1978 Act.

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(a) 1978 c.29; section 11 was amended by the National Health Service and Community Care Act 1990 (c.19) (“the 1990 Act”), Schedule 9, paragraph 19(2) and paragraph 7 of Schedule 6 was amended by the 1990 Act, Schedule 9, paragraph 19(24)(e), (f) and (g).

(b) There is only one state hospital in Scotland which is located at Carstairs, Lanarkshire.

(c) S.I. 1972/391.

(d) 1971 c.8.

(e) S.I. 1972/390, amended by S.I. 1974/859.

(f) Section 12A was inserted by the 1990 Act, section 31.

(g) Paragraph 4(f) of Schedule 6 was amended by the 1990 Act, Schedule 9, paragraph 19(24)(c).

**1993 No. 372 (S.40)**

**NATIONAL HEALTH SERVICE, SCOTLAND**

**The Scottish Hospital Trust Scheme 1993**

£1.10 net

Printed in the United Kingdom by HMSO, Edinburgh Press  
800 WO 0510 C10 3/93 452/4 19593 PS 2902565 (208479)

ISBN 0-11-033372-1



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