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Department of Health

NHS Management Executive
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24 November 1995

Dear Colleague

SUPPORTING RESEARCH AND DEVELOPMENT IN THE NHS

Summary

1. This letter covers the issue of guidance for the declaration of R&D activity and associated costs by 31 May 1996.
2. On 19 June 1995, under cover of MEL (1995)33, an Implementation Plan to develop and put in place new funding arrangements for R&D in Scotland was issued and Boards and Trusts were asked to make a start to identifying their local R&D related activity while more detailed guidance was being prepared.
3. The attached guidance (3 copies enclosed) sets out a detailed programme of activity to help Trusts identify their current R&D activity. Software is being provided under separate cover for the collation of data and it is mandatory for Trusts to use this approach and to make their return to the Management Executive on electronic disc.

Action

4. Trusts and Boards are required to identify their current R&D activity in accordance with the attached guidance and for Chief Executives to submit a final declaration by 31 May 1996. The attached annex summarises the key points of the guidance.

Yours sincerely

Dr K Woods
Director of Purchasing

Dr A T B Moir
Director
Chief Scientist Office

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DECLARATION OF NHS ACTIVITY AND COSTS ASSOCIATED WITH RESEARCH AND DEVELOPMENT

The key points of the attached guidance are:

- by 31 May 1996 Trusts should have agreed with the Chief Scientist Office a declaration of their 1995/96 R&D related activity, costs and income in accordance with this and subsequent guidance;
- to meet this deadline, Trusts will need to start work now on identifying R&D activity and income;
- Trusts will need to involve relevant universities in the exercise as well as their major purchasers;
- NIL returns are required from Trusts identifying no R&D activity and costs;
- declarations will be used to form the 1997/98 R&D budget, raised by a levy on Health Boards;
- Trusts declaring R&D activity and costs will receive block R&D contracts for 1997/98 covering the costs they have declared net of income;
- the move to the full levy is not intended to alter the overall level of a Trust's activity or income in 1997/98;
- from 1998/99 onwards the new arrangements for funding R&D related costs in the NHS will come into full operation. Trusts R&D and overall income may then be affected as research assessment is introduced;
- it is not in the interests of Trusts to over or under declare R&D activity. To do so could adversely affect the costing of clinical services or the funding available for R&D;
- the provider declaration is to be provided on a standard electronic basis and software is being provided to Trusts for this purpose. The software is being sent under separate cover.
- there is a long-term need for information systems on R&D activity and costs to be established and maintained.