

# THE FUTURE AND THE FINANCE PROFESSIONAL

**RICHARD MCCALLUM, DIRECTOR OF HEALTH  
FINANCE AND GOVERNANCE**

In the service \_\_\_\_\_  
**of Scotland**



Scottish Government  
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# Where are we today?



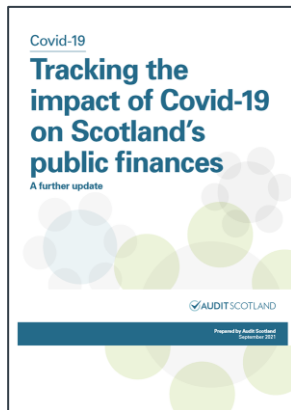
*"The immediate priority of the Government is to lead Scotland out of the pandemic... We remain focused on keeping the country as safe as possible in the face of a highly uncertain situation."*

**First Minister, September 2021**



*"With this budget, the fiscal framework and the wider devolution settlement will continue to be tested with the related volatilities having increased and the levers and the flexibilities remaining constrained."*

**Cabinet Secretary for Finance and the Economy, October 2021**



*"Difficult budget decisions lie ahead.*

- The financial response needed to address the four harms of the pandemic will develop over time.*
- The recovery from the pandemic must be managed alongside other financial pressures which predate the pandemic.*
- Planning for the medium term is difficult, but necessary, to manage the levels of uncertainty and volatility facing the Scottish budget."*

**Audit Scotland, September 2021**

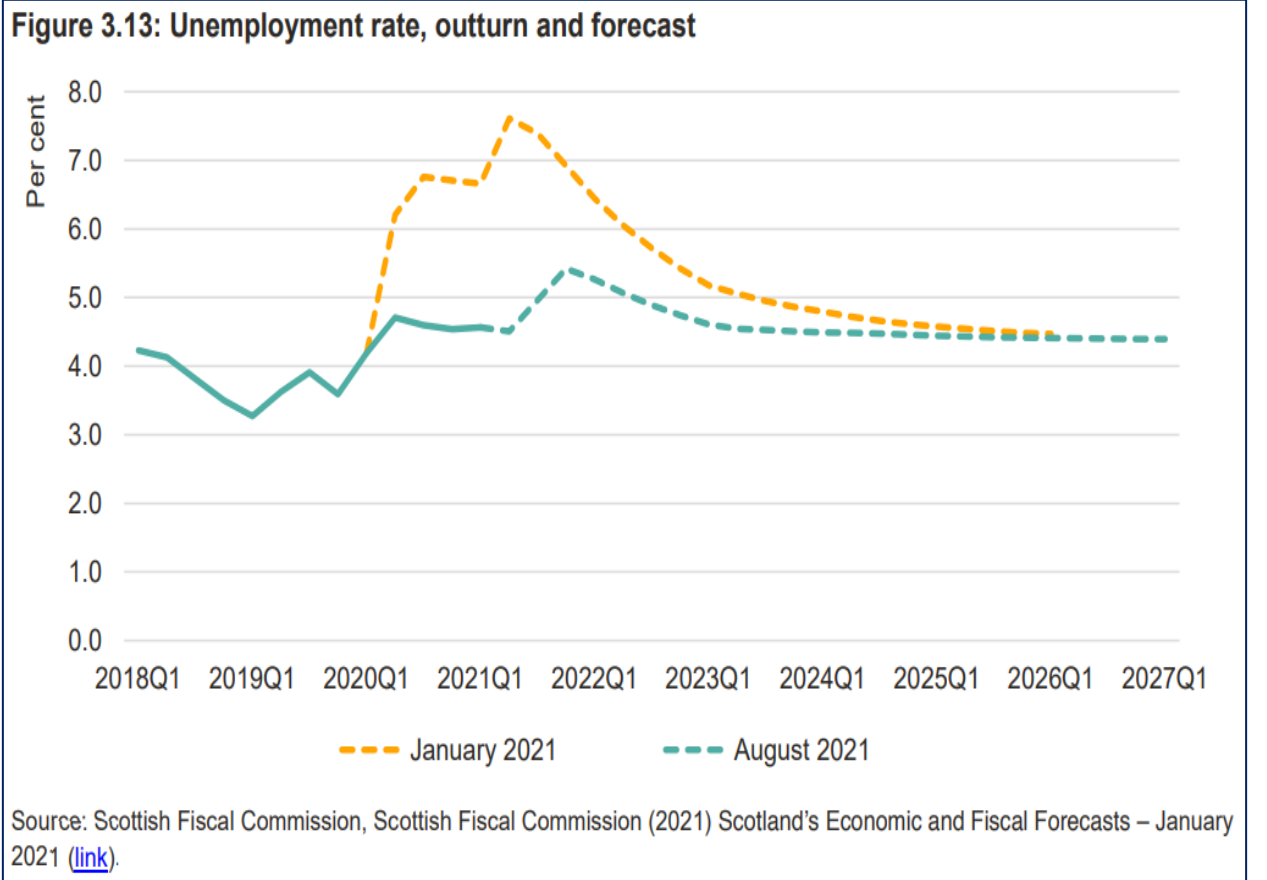
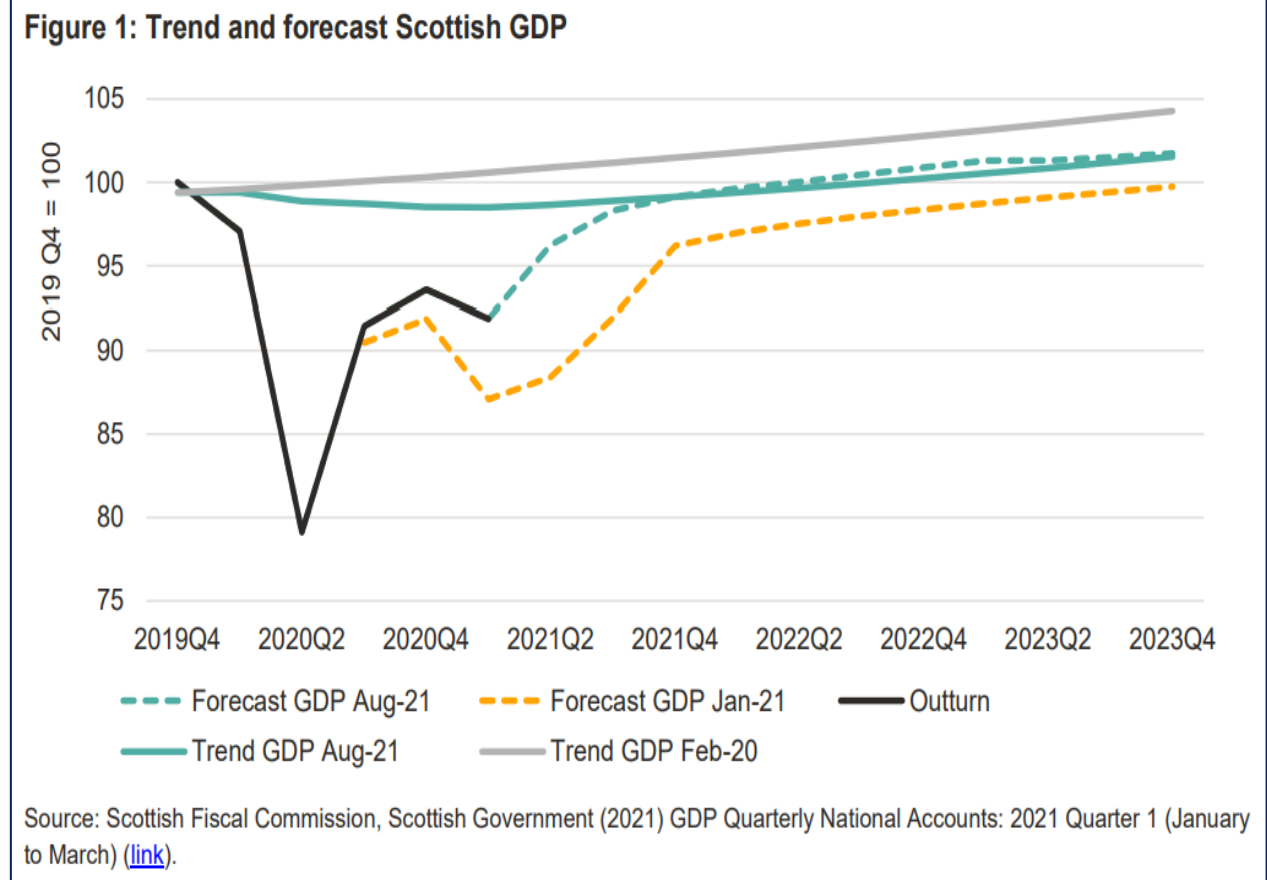
A green rectangular sign with rounded corners and a white border, mounted on two wooden posts. The sign features the text "Uncertainty Just Ahead" in a white, sans-serif font. The word "Uncertainty" is on the top line, and "Just Ahead" is on the line below it. The background of the image is a cloudy sky.

Uncertainty  
Just Ahead

# UNDERSTAND: THE BIGGER PICTURE

**ECONOMIC FORECASTS FOR 2021 HAVE INCREASED OVER THE YEAR REFLECTING PROGRESS MADE ON RECOVERY AND STRENGTHENING ECONOMIC OUTLOOK, HOWEVER MONTHLY UK FORECASTS HAVE EASED SLIGHTLY IN THE THIRD QUARTER.**

- The Scottish Fiscal Commission (SFC) in August forecast the Scottish economy to grow 6.7% in 2021 before moderating to 4% in 2022 and return to pre-pandemic levels in Q2 2022. This is broadly in line with the latest Fraser of Allander Institute forecasts in September and is notably quicker than previous forecasts with downward revisions to estimates of COVID-related scarring to trend productivity.
- The SFC forecast Scotland’s unemployment rate to peak at 5.4% in Q4 2021, reflecting some increase in redundancy from the end of the furlough scheme alongside the potential for some people to re-join the labour market and move from inactivity to unemployment.



# 10 CRITICAL ISSUES FOR POPULATION HEALTH

While we have all experienced the pandemic, the **differential impacts** on people's health and wellbeing are clear. Where we live, work, age and our social capital and networks throughout determine our health. As do genetics. We have also seen clear inequalities by ethnic group, age, disability and gender.

Scotland has the **lowest life expectancy at birth** of all UK countries. Pre-pandemic, the majority of Scotland's council areas have experienced a slow-down or stall in life expectancy growth since 2012-2014 and many areas have decreasing life expectancy.

In 2017-2019, **male** Healthy Life Expectancy (HLE) at birth was 47 years for those living in the most deprived decile, **25 years lower** than those living in the least deprived. For **females** it was 50 years for those living in the most deprived decile, **21.5 years lower**

Inevitably, there has been a **reduction in planned health services**. While steadily returning to pre-COVID-19 levels, reality is thousands of tests, treatment and operations delayed and may have consequences. Also new additional population health interventions on testing and vaccination being delivered by the system.

A growing body of data and research demonstrates **significant health and social harm for people who receive social care** from consequences from interrupted or avoided healthcare, restrictions on visiting, on activities inside and outside of the home.

A substantial minority of people have been **reluctant to use GP or NHS services** for various reasons. Evidence suggests that since the end of October 2020 around a third of people said they would avoid contacting a GP practice if they had an immediate (non-COVID) medical concern

**Population mental health has been affected in different ways**. Some have experienced poorer mental health compared to general population including younger adults, women, people with pre-existing health conditions or disabilities, socio-economically disadvantaged. Pressure on services evident.

**NHSScotland** has a total headcount of nearly 178K staff, the highest reported to date. Very high demand on the system – business-as-usual plus current COVID impact, plus recovery/catch-up. Working age population falling in 2030s.

1 in 20 people receive **social care support** (77% age 65+). Very high demand on the system. IFS report suggests UK social care needs funding increase by 3.9% per year to meet needs of those living longer and younger adults living with disabilities.

In 4 weeks to 5 September 2021, an estimated 79,000 people in Scotland were **experiencing long Covid** (symptoms persisting more than 4 weeks after the first suspected episode of Covid, not explained by anything else). This equates to an estimated 1.50% of the community population (95% CI: 1.33% to 1.68%)

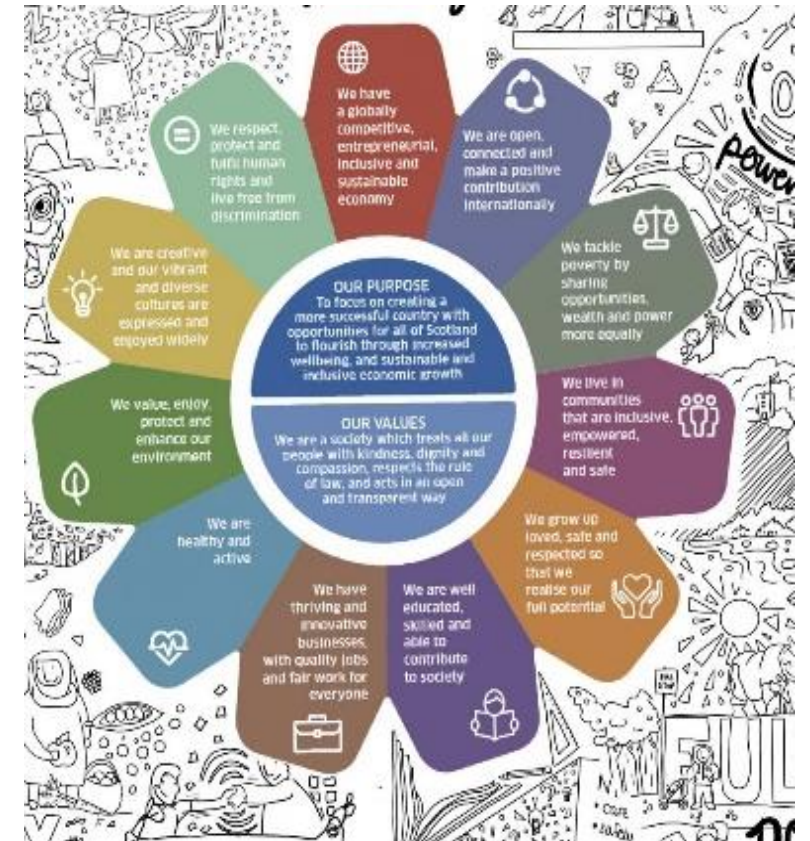
# SCOTLAND'S NATIONAL PERFORMANCE FRAMEWORK

## 10 challenges that stem from pandemic impacts on progress towards National Outcomes

1. Addressing the attainment gap
2. Supporting children's wellbeing and mental health
3. Meeting the expansion in mental health needs
4. Reducing inequalities in healthy life expectancy
5. Capitalising on potential benefits from enhanced digital adoption
6. Responding to uneven employment impacts, alongside net zero transition
7. Boosting employability and reskilling support
8. Boosting financial security for low income households
9. Strengthening community and resilience through investment in community infrastructure and third sector
10. Supporting the arts, culture and heritage sector to recover

## Impacts on health and social care

- Backlog in planned care
- Late and more serious presentations
- Mental health
- Change in pathways, preferences & behaviours
- Workforce stress & exhaustion
- Maintaining the Public Health response
- Continuing impact on productivity



# INVOLVED: KEY POLICIES



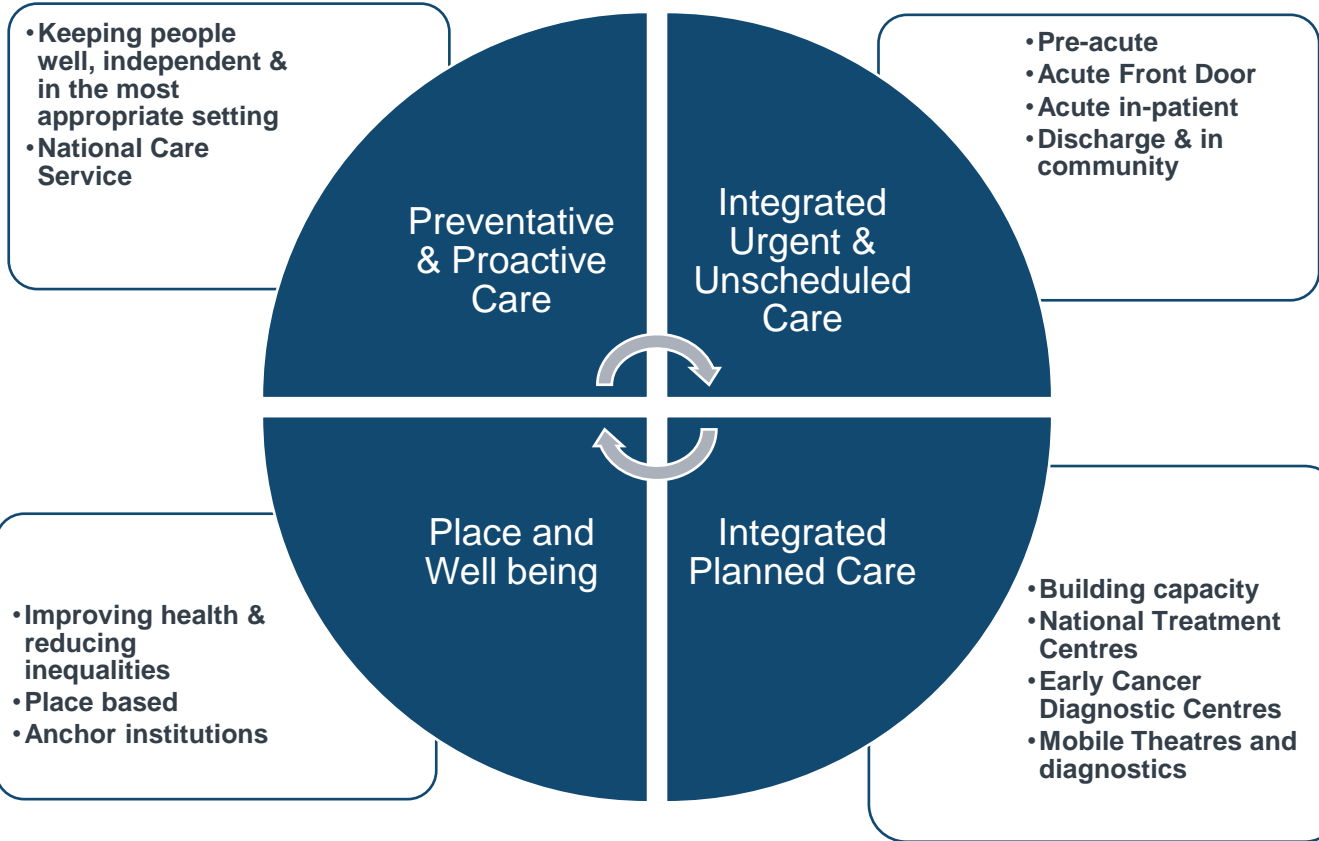
# HOW CAN WE SUPPORT THE VISION FOR H&SC?

## Principles

- Person Centred
- Safe
- High Quality
- Data & evidence driven
- Equality & Diversity
- Fair Work
- Positive cultures
- Net Zero

## Priorities

- Maintaining Covid Response
- NHS Recovery
- National Care Service
- Focus on prevention, early years, tackling inequalities
- Addressing climate change emergency



## Objectives

Taking a portfolio approach to provide better:

- Coherence
- Sustainability
- Outcomes

**ENABLERS**  
Partnership & Engagement, Workforce, Financial, Digital and Data, Service Improvement, Innovation, Infrastructure, Resources, Planning and Monitoring



# NATIONAL CARE SERVICE: CHANGING SOCIAL CARE



Review announced in Prog for Gov



3-Feb-21  
IRASC published

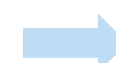


The Scottish Parliament  
Pàrlamaid na h-Alba

16-Feb  
Debate in Parliament



100 Day  
Commitments



Draft plans for delivery of NCS

Shift the paradigm	
Old Thinking	New Thinking
<i>Social care support is a burden on society</i>	<b>Social care support is an investment</b>
<i>Managing need</i>	<b>Enabling rights and capabilities</b>
<i>Available in a crisis</i>	<b>Preventative and anticipatory</b>
<i>Competition and markets</i>	<b>Collaboration</b>
<i>Transactions</i>	<b>Relationships</b>
<i>A place for services (e.g. a care home)</i>	<b>A vehicle for supporting independent living</b>
<i>Variable</i>	<b>Consistent and fair</b>

Redesign the system
<p>A new delivery system is needed to achieve the full potential of social care support in Scotland.</p> <p>A <b>National Care Service</b> is needed to:</p> <ul style="list-style-type: none"> <li>• Achieve consistency across the country</li> <li>• Drive national improvements</li> <li>• Ensure strategic integration with the NHS</li> <li>• Set national standards and terms and conditions</li> <li>• Bring national oversight and accountability.</li> </ul> <p>We need to transform the way we <b>plan, commission and procure</b> social care support to:</p> <ul style="list-style-type: none"> <li>• Build trusting relationships</li> <li>• Collaborate rather than compete</li> <li>• Establish partnerships not market places.</li> </ul> <p>We need to <b>amplify the voice of lived experience</b> at every level of the redesign:</p> <ul style="list-style-type: none"> <li>• There is a duty to co-design a new system with the people in social care.</li> </ul>

# DRIVE: THE AGENDA

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*“People often pigeonhole us as accountants, but our experience allows us to operate in lots of environments and bring a suite of capabilities to bear”*

Mike Driver, CIPFA President 2021



## What I see in our Finance Community...

- Colleagues with business acumen and awareness of the strategic landscape (culturally, politically)
- Strong collaborators and communicators
- Those who will ask the difficult question and speak truth to power
- Innovators
- Those who take ownership of problems and issues
- Ability to use evidence and data to support decisions



**In the service  
of Scotland**

# RECOGNISE: THE POWER OF NETWORKS

# RECOGNISE: THE POWER OF OUR NETWORKS

“What do you think?”



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## • Networks

- One NHS Finance Community
- Cross boundary
- Profession - CIPFA/HFMA



# **NURTURE: OUR TEAMS OF THE FUTURE**

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# HOW DO WE NURTURE TEAMS OF THE FUTURE?

“Don’t let the urgent squeeze out the really important”

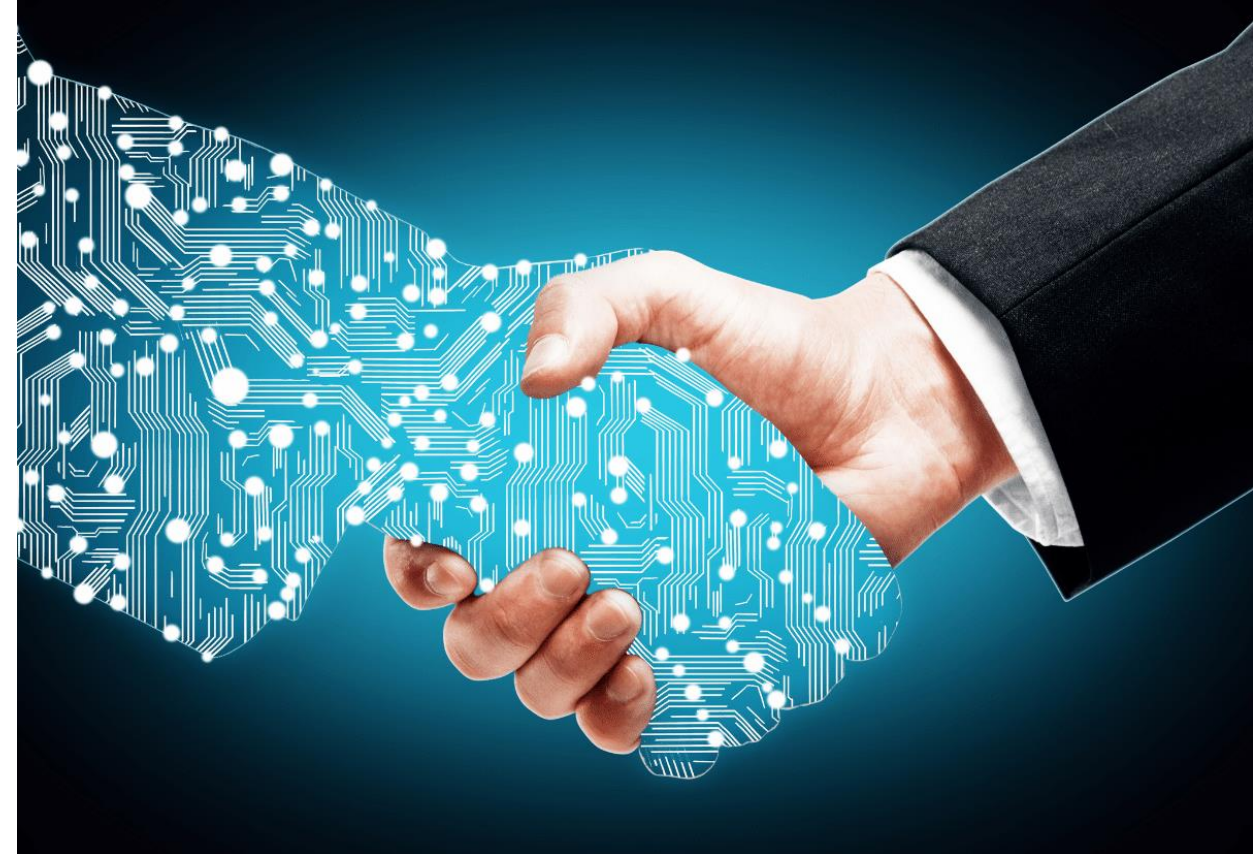
**“To establish an Academy to develop the people and skills required of financial teams, to support delivery of high quality care by really understanding the business and driving value from our financial resources.”**





# WHAT ENVIRONMENT WILL WE BE WORKING IN?

- Greater use of technology and automation to drive value
- Increased communication with clinicians and executives
- Greater use of data and analytics to drive insight
- Growing focus on business partnering and collaboration across all operational and strategic areas



# DIVERSIFY: OUR FUNCTIONS

In the service \_\_\_\_\_  
of Scotland

# THE NHS FINANCE FUNCTION

2015

## SCOTLAND

OVERALL STAFF



71%  
ARE WOMEN

29%  
ARE MEN

DIRECTOR LEVEL



63%  
ARE WOMEN

37%  
ARE MEN

THERE ARE  
**1,389**  
NHS FINANCE STAFF IN  
SCOTLAND

25%  
WORK IN  
FINANCIAL  
ACCOUNTING  
ROLES



36%  
WORK IN  
FINANCIAL  
SERVICE  
ROLES

39%  
WORK IN  
FINANCIAL  
MANAGEMENT  
ROLES

174  
WORK FOR  
SPECIAL HEALTH  
BOARDS



1,215  
WORK FOR  
TERRITORIAL  
HEALTH BOARDS



DIRECTORS

1%

AGENDA FOR CHANGE  
BAND 7 TO VERY  
SENIOR MANAGER

21%

AGENDA FOR CHANGE  
BANDS 5 & 6

31%

AGENDA FOR CHANGE  
BANDS 1 TO 4

45%

COVERED BY  
OTHER PAYSCALES

2%

ARE CCAB/CIMA  
QUALIFIED OR  
STUDYING

21%<sup>3</sup>



12%

HAVE OTHER  
FINANCE  
QUALIFICATIONS  
RELEVANT TO  
THEIR ROLE

OF 52 FINANCE  
STAFF SURVEYED... <sup>4</sup>



THE AVERAGE JOB  
SATISFACTION  
LEVEL

6.4 / 10



64%

WOULD LIKE TO SPEND  
THE REST OF THEIR  
CAREER IN THE NHS

77%

FELT THEIR FINANCE  
DEPARTMENT PROVIDES  
VALUE TO THEIR  
ORGANISATION



TERRITORIAL HEALTH  
BOARD STAFF ARE

87%

OF NHS STAFF

49%

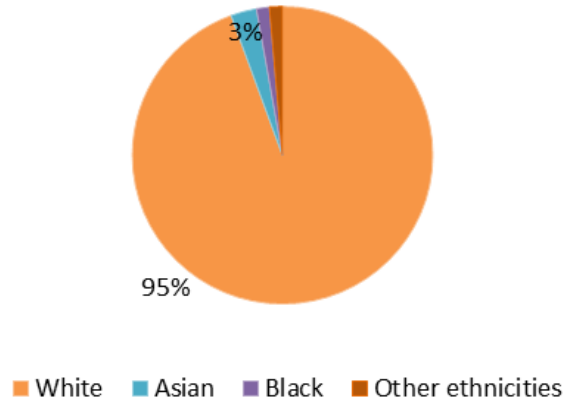
OF FINANCE STAFF  
CURRENTLY WORKING  
IN THE NHS BELIEVE  
NHS FINANCE  
CAREERS OFFER  
SUFFICIENT  
OPPORTUNITIES FOR  
DEVELOPMENT



# DIVERSIFYING OUR FUNCTION

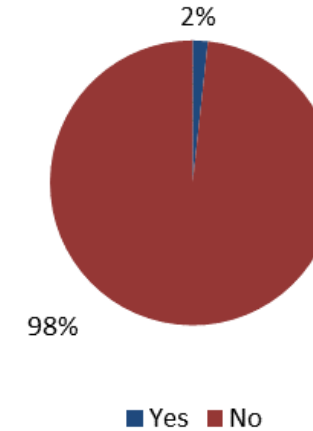
## % Ethnicity

(Turas Data - March 2021, excluding nil responses)

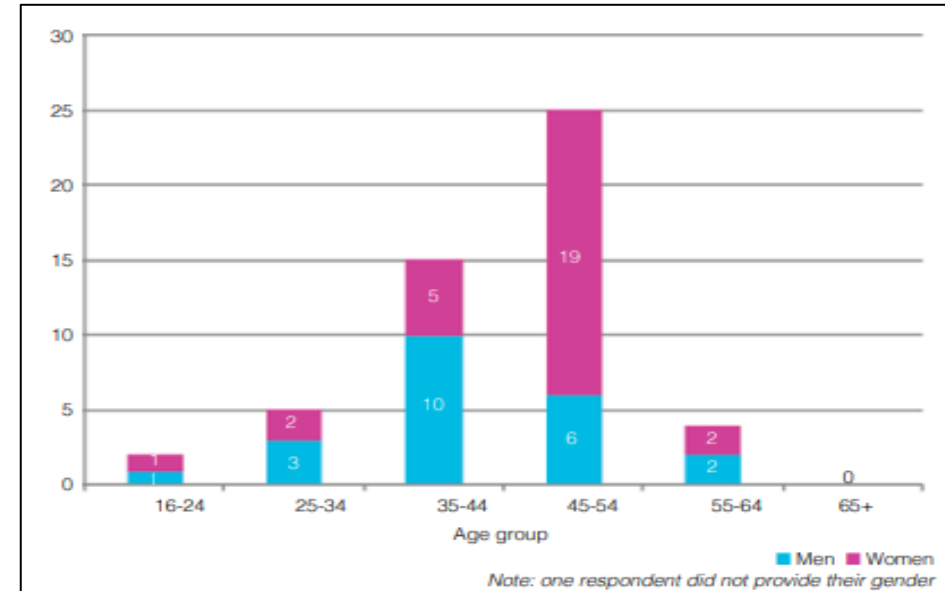


## % Disability

(Turas Data - March 2021, excluding nil responses)



	Number	Percentage
Qualified	349	25%
Studying	103	7%
Not qualified or studying	937	67%
<b>Total</b>	<b>1,389</b>	<b>100%</b>



**ENJOY: GETTING  
VALUE FROM WORK  
YOU DO**

# ENJOY: GETTING VALUE FROM YOUR WORK

- Hold in mind what we do and why we are doing it
- Look back as well as looking forward
- Say ‘Yes’ but don’t wait to be asked
- You can only do your best

*“Comparison is the deadliest thing we can do to ourselves because we will always come up short. All it does is exaggerate our insecurities.”*

**Simon Sinek**

# **ROLE IN THE FUTURE**

- **Understand: the bigger picture**
- **Involved: in key policies**
- **Drive: the agenda**
- **Recognise: the power of our networks**
- **Nurture: our teams of the future**
- **Diversify: our functions**
- **Enjoy: Getting Value from the work you do.**

**WHAT DO YOU THINK?**