



FutureScape Issue 14 – October 21st 2010 – Budget Cuts / Healthcare Scenarios / Personal Futures

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Welcome to the latest issue of FutureScape I hope you enjoy it. If this is not your copy and would like to subscribe, please sign up [here](#)

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Rohit Talwar
CEO
Fast Future
Tel +44 (0)20 8830 0766

rohit@fastfuture.com

1. Convention 2020 Pulse Survey and Seminar

Firstly a big thank you to everyone who completed our Hotel 2020 survey - the report will be published and distributed to you in November. I am now writing to ask you to take a few minutes to complete our Pulse Survey being undertaken as part of the ongoing Convention 2020 research study. To complete the survey please use the following link:

<http://www.zoomerang.com/Survey/WEB22BCDQ5WCBP>

Please share the link with anyone who might be interested. The survey closes at midnight on November 7th but I'd appreciate it if you could complete the survey by the end of October 23rd so we can share emerging findings at ICCA.

This survey is designed to provide a snapshot of how the conventions and business events sector may develop over the next 1-5 years. The survey is open to those who attend events as well as those who work in the events industry. The initial results will be presented at the ICCA Congress on October 25th and distributed to all respondents via the Convention 2020 newsletter. The most interesting case studies identified will be researched and documented on a regular basis over the next 12 months. I do hope you will take the time to complete the survey and thank you in anticipation of your input.

We'll have three seminars on the Convention 2020 study at the ICCA congress and will also be doing a free breakfast briefing in London on the morning of November 5th- contact me if you'd like to attend.

2. €50K Innovation Award Fund

I'm giving an opening keynote on 'Innovation Futures' at the globe forum in Dublin on November 17th. <http://www.globeforum.com/en/Header/Forums/Dublin/Program/>

The organisers are putting up a €50K Innovation in Kind Award Fund for the best ideas submitted. The closing date for submitting your 150 word entries is October 29th 2010. http://www.globeforum.com/en/Header/Forums/Dublin/Innov_contest/

3. Public Sector Budget Cuts – is there a Smarter Way to do it?

I've been watching with interest as people have debated the £81Bn of public sector budget cuts and 500,000 job reductions announced by the UK government yesterday. What fascinates me has been the argument about whether these are good or bad, right or wrong without any real sense of context. I've heard almost no discussion of what our vision is of where we see Britain heading, the ambitions we

have for society, education, our contribution to key global challenges or the general direction of travel for the economy. This led me to wondering whether it's inappropriate to expect such thinking or if it's just not something the government felt it had time to do? I also wondered whether the budget cutting process was being handled any better in other parts of the world and if the citizenry had a better sense of the vision that drove the strategy that informed the decisions about what to cut. Let me know if you have a view.

4. Scenarios for Healthcare 2020

We've had a number of enquiries about the healthcare 2020 scenarios we developed earlier this year and so thought we ought to share them more widely and solicit your feedback. In April 2010 ran a scenario planning exercise with our colleagues at First Line Research (www.firstlineresearch.com) to explore possible scenarios for healthcare in 2020. This was a short sharp exercise where we came up with two scenarios which were then tested on a range of medical professionals via a survey – with their responses yielding a third scenario. The results are presented below.

The intention was to develop deliberately short scenarios that could be read by survey participants in less than ten minutes. Although the scenarios are set in a UK context, many of the challenges and service innovation concepts have universal applicability. We'd welcome your comments and thoughts on alternative scenarios of how healthcare could develop in your country.

Scenarios are a tool to help us explore how the key forces shaping the future may play out. Scenarios provide stories depicting how the most important of these 'driving forces' could develop and interact with each other to shape the landscape. They are not meant to be predictions or forecasts. However, by exploring these alternative possible scenarios it helps us rehearse the future, make better decisions today and prepare for a range of possible situations. Scenario narratives are usually written in the present tense from the point in the future we are looking at and provide some indications of how the situation developed over time. The aim is to construct scenarios which are distinctly different from each other but not necessarily mutually exclusive – this helps ensure that a broad range of perspectives and possibilities are considered.

Scenarios are best used to help explore particular questions e.g. *'What could happen to the global economy by 2015?'*, *'How might the market for genetic enhancement develop over the next twenty years? Or 'What could the future of healthcare in our country be in 2020?'* For this exercise, we focused on the question *'What could the UK Health Service look like in 2020?'*

Most projects typically construct three or more different scenario views of the future. However, for the purpose of this exercise, Fast Future initially developed scenarios one and two below. First Line then ran an online consultation on the scenarios targeting senior healthcare professionals. The aim was to get 100 responses. In the

end 122 clinicians and non-clinical influencers replied and shared their thoughts. The respondents each had an average of 25 years' experience in healthcare. 60% thought scenario 1 the most plausible whilst 62% opted for scenario 2. We then took their comments to create a third scenario.

Scenario 1 – Collapse and Rehab

December 31st 2020

The story of how today's health service has evolved over the last decade can be broken into two distinct phases. The period from 2010 to 2015 can be characterised as one of confusion, financial decline and internal conflict. There followed a second phase of gradual stabilisation and radical restructuring to lay the foundations for a new health service model.

Following the 2010 general election, a bleak picture was painted of the state of public finances. The scale of total UK public debt was projected to reach close to 100% of GDP. Stark warnings were also issued about the costs of rising unemployment, an ageing population and the resulting public pension burden. The need for radical cuts in public spending was driven home with vigour. While there was limited protection for spending on front line services such as policing, education and healthcare, other areas of public spending were told to deliver cuts of between 10% and 40% over a three year period. A slower than expected economic recovery and future shocks from the financial sector served to depress tax take and severely dented public optimism and business confidence – leading to further waves of redundancies and low levels of private sector investment.

In the Health Service, while nurses and doctors were largely protected, their salaries were all but frozen and significant cuts were seen in other areas considered non-core by the new government e.g. Allied Health Professionals. Many drugs and treatments were simply taken off the approved register because of their cost and waiting lists for non-urgent treatments grew rapidly. General Practitioners found themselves working longer hours as they could no longer afford extended locum cover and the new government demanded more 'face time' with patients. A dramatic reduction in funding for treatment and prevention of substance abuse led to a massive rise in the number of people presenting to Accident & Emergency with substance related problems - an issue that has still not resolved itself today.

The Department of Health (DoH – the health policy making arm of government) and the National Health Service (NHS – the service delivery arm) were locked in an almost constant battle over funding levels and priorities, while at the same time engaged in almost perpetual internal reorganisations as they struggled to find the right model for public health care management and delivery. Whilst the need for radical thinking and innovation was clear, the fear of getting it wrong and outdated bureaucracy and decision making approaches made it hard to drive through serious change. A number of Foundation Trust Hospitals (self governing, able to raise finance independently) proposals were shelved due to financial constraints, while

other hospitals continued to experience major deficits and hospital managers were regularly seen 'falling on their swords'. New building projects across the service were rare.

Private sector interest in the provision of UK public healthcare services declined rapidly. At the same time a number of staff from nurses through to administrators left the sector completely or went in search of more exciting lower stress opportunities in the health sectors of rapidly expanding emerging economies. Public satisfaction with the service reached an all time low around 2015 and record numbers were now turning to private healthcare.

The second phase of development was driven by a change in government in 2015, with the new hung parliament agreeing on the need for a radical rethink of public healthcare. A three year transition model was agreed with the goal of delivering a new structure that combined a clear focus on wellness and prevention with an emphasis on community based services, encouragement of locally driven innovation and a major trimming of the DoH and NHS structures.

New thinking and innovation were slow to emerge in the first 18 months but a consistency of messaging and rewards for those who dared to 'think the unthinkable' gradually encouraged ideas to come out. Initiatives included GP surgeries and local treatment centres being incorporated into schools to cut overheads and construction costs. The Wellness drive included a legally binding requirement for all employers to pay for compulsory genetic profiling for all their staff and a government commitment to fund the profiling of all other citizens by 2020. The data emerging from such a large scale initiative has started providing a real sense of the health of the nation and the likely costs of treatment versus prevention.

Tough new legislation has led to a ban on the advertising of any food and drink products considered to contain 'unhealthy ingredients' – with alcohol, confectionary and soft drinks amongst the earliest targets. At the same time such products have also seen a dramatic increase in the level of taxation – bringing them closer to tobacco products in their treatment.

Many segments of the service are being transformed, have moved to the private sector or are being closed down. For example, the treatment of all but the most critical of sporting related injuries are now dealt with by private sector clinics. To fund this, a low cost government-backed insurance scheme was made compulsory for anyone taking part in sports in 2018. Those presenting to the NHS with sporting injuries are now turned away in all but the most critical of cases.

While internal conflict, confusion and the pains of restructuring still linger, morale in the service has improved, innovation and new thinking is beginning to have a real impact and the outline of a new public health service is beginning to emerge.

Scenario 2 – Science Leads the Way

December 31st 2020

This scenario is characterised by a fundamental ‘science and innovation led’ rethink of the role of public healthcare and a major focus on wellness and prevention. The new government in 2010 started with a commitment to protect healthcare budgets for three years while driving through a major programme of reform. At the heart of the programme was a massive investment in science and innovation with a focus on encouraging front line initiatives that could lead to both incremental and radical improvements.

A major axe was taken to the bureaucracy of the DoH and NHS. The funds were redirected into three areas initially – initiatives proposed by front line practitioners, re-engineering and automation of administration and initiatives proposed by the private sector. In the case of the latter, the agreement was that if the private sector created solutions for the health service using government innovation funding, the grant would be paid back within five years and the service would receive up to 50% of all profits resulting from the private sector firms selling the solutions on to other buyers anywhere in the world.

The science and innovation initiative started to have a real impact from 2014 onwards when it embraced the concept of open innovation – encouraging the public in particular to submit improvement ideas which could then be applied across the service or in specific segments of it. The renewed sense of public ownership and engagement led to a number of new and high impact ideas coming through within two years of launch.

Despite widespread opposition in some cases, many aspects of service provision have now been hived off to the private sector – with compulsory insurance cover paying for the costs. These include sporting and workplace injuries – with insurance premiums being built into sports club membership and a range of personal insurance schemes – including government funded basic provision for the poorest in society. For workplace related injuries, there is now compulsory employers’ insurance.

Service provision is focused much more on the community – with units established inside schools and supermarkets in order to be close to the population. The Foundation Trust business model has evolved significantly. The emphasis is now on them being centres for radical innovation - with a core revenue stream now being the income generated from licensing or selling on their know-how and inventions.

There has been a major rethink on the introduction of new drugs and treatments. The onus is now on the suppliers – be it pharmaceutical companies or equipment manufacturers. The suppliers now have to provide an underwritten business case for any new drug or treatment they want accepted. They have to demonstrate that the improved effectiveness of the treatment will bring cost savings compared to those currently in use over an agreed time period. These saving may come from lower overall treatment costs per case, lower mortality, faster recovery, higher throughput or some other economically quantifiable measure. If the savings do not materialise,

the suppliers must make up the shortfall – again funded through a compulsory insurance scheme.

A widespread programme of measures has been adopted to encourage wellness and prevention. These include higher taxes on unhealthy products, a doubling of taxation on tobacco and alcohol products every two years and a number of incentives to encourage people to take up sports, improve their diets and attend bi-annual preventative screening ‘MOT’ check-ups.

A key initiative has been the reward sharing model adopted around service innovations. The initiator and their unit / organisation are rewarded should ideas get adopted either locally or more broadly and / or lead to commercialisable products and services. In each case a proportion of the gains are shared by the individual and their unit. The first examples of ‘innovation millionaires’ working for the service started to emerge around 2016.

The third scenario was developed from the feedback received from the survey respondents.

Scenario 3 – Crisis

December 31st 2020

The NHS never fully recovers from the swingeing cuts of 2010-13 and with economic recovery much slower than expected there is no new public money to rebuild. The private sector continues to shy away, citing lack of growth prospects and an uncertain political backdrop - and an ageing population has now almost drained the reserves.

Recent polls show that a majority of NHS staff felt pushed “too far”, and they leave now in ever greater numbers, bringing staffing to levels that critically threaten viability. Entrepreneurial science & technology policies and patient driven innovation never fully materialise, with supporters blaming lack of political will from the government, who in turn claim that the private profit model was impossible to sell to the public. Pharma companies successfully pushed back on plans to force them to prove detailed cost-benefit cases by effectively threatening to take their business elsewhere. The relationship with government remains uneasy, characterised by regular and intense skirmishes with NICE (National Institute for Clinical Improvement).

For a number of years, money has been increasingly attracted to the expanding private healthcare business; which itself seems to have successfully adapted – changing models of access /payment to maximise custom, and renovating old DoH real estate. Compulsory genetic profiling is in abeyance following robust ethical and cost-efficacy opposition from the medical profession, and a media and public backlash (despite which, private companies in this area enjoy sustained share price

growth). In 2016 a taxation scheme on unhealthy products proved a massive vote loser amongst the public and big business, and was quickly abandoned - with the government saying that individuals must be allowed to take responsibly for their own health.

A 'pay as you go' trial for NHS services is underway in several English regions. Parliament continues with a series of high profile debates on the subject of whether the Health Service can remain free at the point of delivery; and with impassioned contributions on every side it looks set to run and run...

5. It's Your Future – Author Interview with Verne Wheelwright Ph. D.

Verne Wheelwright is an expert on personal Futuring and one of the most respected members of the professional futurist community. His book ***It's Your Future... Make it a Good One*** has just been published and we caught up with Verne to ask him about the key messages he wanted to get across.

FFR - What's the premise of the book?

VW - Anyone can learn a lot about his or her future. They can also influence or even change their own future. I suggest a three step approach:

1. Look at your life and where you are now.
2. Explore your futures with scenarios.
3. Create your future—the future you want to live.

Each of those three big stages has a lot of little steps, but that's the idea of the book, to break the futuring process into tiny, easily understood steps.

FFR - Why do you think people are sometimes reluctant to look at their future in an exploratory manner and consider a range of possible futures?

VW - The process of developing scenarios about the future *sounds* complicated and a little mysterious to many people. In fact, it is pretty easy. The important thing about futuring is that it requires some thought; thinking about where you are in life, where you are going, and where you want to go over the next ten years.

FFR - How could we use these materials with children to help them develop the habit of exploring and re-evaluating their future on a regular basis?

VW - I think the most important concept is to develop a long term perspective, learning to think years ahead and understanding the consequences of today's actions in the future. I believe that many students drop out of school because they lack a long term perspective. Some are simply bored with school, so they drop out, not realizing the impact this will have on the rest of their lives. There is one organization, Futures Problem Solving International, which teaches these concepts in kindergarten through 12th grade.

FFR - What advice can you give on how to carve out the time in our lives to allocate to exploring our futures?

VW - That can be a challenge! We have so many devices and systems that demand our attention every waking minute, it can be hard to just stop everything and think about something as important as the rest of your life. Each individual has to make a decision to stop and think about his or her future. A class or workshop about Personal Futures can help keep you focused, but many people can get their focus from reading a book and filling in a workbook. I try to supply tools for each of those approaches.

FFR - One of the challenges we all face is assessing developments happening to us and in the world around us and determining their potential long term impact and implications - what advice would you give about how to do this effectively?

VW - The first step is to look at the world around you and recognize what is changing or will change. What are the forces that are bringing change? The next step is to ask yourself how these changes may affect your life and the lives of your family and close friends. Futurists call this "environmental scanning." This is scanning your horizons or your environment to be aware of whatever is happening around you. For individuals, this includes change that is happening in your neighborhood and community as well as your country.

You can find out more about Verne's work at www.personalfutures.net and details on the book can be found at www.vernewheelwright.com. Verne can be reached at verne@personalfutures.net

6. Rohit on the Road

In the coming weeks, Rohit will be delivering keynote speeches on the future of business intelligence, strategic innovation, Convention 2020, the future of hotels, financing future infrastructure, new business models, the future of tourism, hotels and events, winning in a downturn, the future of the global economy, drivers of

change, outlook 2020 and a number of industry focused themes. He is currently scheduled to be in London, Barcelona, Geneva, Eindhoven, Hyderabad, Delhi, Mumbai, Seoul, Orlando, Las Vegas, Cancun, Los Angeles, Adelaide and Melbourne. If you would like to meet with him or organise a speech for your organisation while he is in your city, please contact rohit@fastfuture.com

7. About Fast Future

Fast Future is a research and consulting firm which focuses on helping clients anticipate and develop innovative responses to the forces, patterns of change and ideas shaping the future. To discuss your needs for research, consulting, a speech or workshop, contact rohit@fastfuture.com or call +44 (0)20 8830 0766

8. Forthcoming Dates for your Diary

October 24th – 27th ICCA Congress Hyderabad
<http://www.iccaworld.com/dbs/congress2010/>

November 5th Convention 2020 Breakfast Briefing London contact
Rohit@fastfuture.com

November 12th – Future of Business Intelligence - SAP Value Vision Conference – London <http://sapevent.co.uk/valuevision/>

November 17th-18th – Globe Forum Dublin
<http://www.globeforum.com/en/Header/Forums/Dublin/>

November 24th-25th – Seoul MICE Expo
http://www.koreamice.kr/eng/eng_main.asp

December 1st – 2nd – Food Service Network – Eindhoven
<http://www.foodservicenetworkeurope.com/>

9. Republishing FutureScape Content

A number of people have asked to re-publish our content in their magazines, blogs, websites and newsletters. We are happy for you to do this – if you want to republish any articles, please acknowledge the source, provide a link back to our website and let us know you've done it.