2020 Public Services Trust
at the RSA

Drivers for Change:
Citizen demand in 2020

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PUBLIC
SERVICES
operations lead

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About the
2020 Public Services Trust

The 2020 Public Services Trust is a registered charity (no. 1124095), based at the RSA. It is not aligned with any political party and operates with independence and impartiality. The Trust exists to stimulate deeper understanding of the challenges facing public services in the medium term. Through research, inquiry and discourse, it aims to develop rigorous and practical solutions, capable of sustaining support across all political parties.

In December 2008, the Trust launched a major new **Commission on 2020 Public Services**, chaired by Sir Andrew Foster, to recommend the characteristics of a new public services settlement appropriate for the future needs and aspirations of citizens, and the best practical arrangements for its implementation.

For more information on the Trust and its Commission, please visit www.2020pst.org

The views expressed in this report are those of the authors and do not represent the opinion of the Trust or the Commission.

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services and the underlying nature of the relationship between the citizen and the state. Everyone has an interest in this debate; as citizens, as users of public services, and as taxpayers. Any successful vision for change must make full use of the experience and know-how of citizens, including those engaged in frontline delivery.

2   **By bringing new structure to the debate**. Where existing debates on public services sometimes lack coherence, the Commission gives the debate shape – bringing new insights from academic literature and citizen engagement to articulate new opportunities, constraints and trade-offs for policy makers in the future.

3   **By liberating thinking about solutions**. Our national conversation on public services must wrestle with the content and meaning of social citizenship appropriate to our times.   This means thinking about the obligations, entitlements, rules and expectations that define the relationship between citizen and the state. More than ever, in these tough economic times we need to work together and think beyond traditional parameters to improve our individual and collective wellbeing.

Scoping the Challenges

The *Scoping the Challenges* series is the first step in the beginning of a new national conversation. It seeks to survey the landscape of issues and questions we need to pose to hold a coherent and comprehensive debate on the future of public services.

Scoping the Challenges consists of three research reports:

- **A Brief History of Public Service Reform** – an analysis of UK welfare and public services from before 1945 to the present day. It explores the evolution of the system and when, why and how change took place. It seeks to answer how have we got here and identify the prospects for radical reform.

- **Drivers for Change: Citizen Demand in 2020** – this project examines over 30 social, cultural and technology trends that will have a bearing on the demand for public services, and explores three scenarios which illustrate life as it might be in 2020.

- **The Fiscal Landscape** – this forthcoming project will set the scene for the funding of public services between now and 2020. In a time of considerable uncertainty and a likely change of government, forecasting the economic conditions and fiscal policy of the future is very difficult. What is certain is that borrowing now will need to be offset by tax increases and/or spending cuts later. The question

remains as to how this will effect the provision of public services. Is there anything that we can learn from previous experiences or other countries?

The underlying theme throughout the *Scoping the Challenges* series is a consideration of the relationship between the citizen and the state: What risks and challenges do citizens face? What is the role of government? Can the state afford to pay for public services that meet increasingly complex needs and demands?

These papers, along with other future research, will all feed into the Commission's final report due for publication in summer 2010.

The 2020 Public Services Trust invites to you to engage in our national conversation. For more information on how to get involved, please see www.2020publicservicestrust.org.
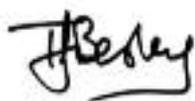
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Commissioner Leads for the Scoping the Challenges series

Executive summary

This report uses a scenario planning approach to outline the challenges facing public services in the medium-term future. It identifies the drivers for change in society and explores their possible implications for public services in different scenarios. It focuses both on how these trends will reshape the purposes and priorities for public services, as well as the challenges and opportunities for more effective delivery.

In preparing the scenarios we studied more than 30 trends (each trend is outlined briefly in the appendix to this report) that may impact on public services in the future. Each trend was rated by Trajectory, a steering group of commissioners and other experts, for the likelihood that it would continue and the degree of impact it would have on public services.

This analysis was used as a basis for creating three scenarios: a core scenario based on the trends that were rated as being likely to continue and as having a high degree of impact on public services. Two alternative scenarios were developed around trends that were thought less likely to continue, but that would have a high degree of impact on public services if they did. One of the alternative scenarios took an optimistic view of these trends while the other took a negative view.

Steady as she goes

In the core scenario the population is older, but healthier than today. However, some challenges such as reducing the period of morbidity at the end of life remain. Britain's economy is competing successfully in a globalised world – particularly in creative services. The workplace is more gender-neutral, with issues of workplace equality gradually being addressed. While citizens are increasingly demanding about service standards and there is a focus on individual choice, there remains the need for collective policies in areas where there is no public agreement – such as climate change.

Into the sunset

The main aspects of the positive alternative scenario are a quick recovery from the recession, strong economic growth and consensus about the role and size of the state that sees increased funding and public support for public services. There is also a high degree of social cohesion as agreement is reached about immigration levels and the rights of minority groups. Technology has been key to delivering new and innovative public services with access for all.

Stormy weather

The key aspects of the negative alternative scenario are sluggish levels of economic growth with cuts in many public services. There is also a reduced willingness to pay for such services through taxation. Chronic health problems remain as people reject what are seen as 'nanny state' public health campaigns. The one positive aspect of this negative scenario is that cuts in public services have prompted innovative community-based solutions in some areas. However, the patchy distribution of these initiatives is a potential further source of inequality.

Five key trends for the future

The paper identifies five major challenges facing public services in the future, whatever the economic situation. These are:

- **Demographic driven demand**: increased demand for public service because of ageing and, potentially, a larger than expected number of young families in the population.
- **Shifting identities**: individuals have more complex identities and affiliations at the family, community, local and national levels, presenting challenges to identify the mix of services required, and how they should be organised.
- **Meeting diverse demands**: the problem of reconciling individualism and public good in policy areas where there is no consensus and where fundamental differences in values and priorities remain between sections of society.
- **Rising citizen expectations**: we will expect more from public services, particularly service standards that meet the best that the private sector can offer.
- **Technology**: a driver of change, a solution and as a problem: technology is changing the way we live, work and interact with each other in fundamental ways. This has implications both for the types of public services that will be

needed and the ways that they are delivered. Technology presents clear opportunities to deliver services more efficiently and in ways that better meet the needs of service users, but at the same time, problems of access to technology can exacerbate inequalities.

The damaging impact of the current financial crisis on the public finances is becoming clearer each day. It is demonstrating the need both for tough decisions about public spending priorities in the future, and pressures to deliver more with less. But if fiscal constraints are creating powerful and immediate drivers for change, to be effective the response must also take account of the broader trends that will shape our society in the future.

Policy dilemmas

The final section of the report explores three dilemmas for policy makers arising from these trends:

- **Cost pressures**, in many instances, irrespective of the current public finances
- **Consent** for the state to act where solutions are clear but require behavioural change by citizens, and
- **Capabilities** of government to harness the power of technology and the information on service performance that citizens hold.

Everyone has an interest in the debate on the future of public services; as citizens, as users of public services, and as taxpayers. In creating alternative scenarios and describing their implications for fictional characters, the aim of the report is not to predict the future. Rather, it is to dramatise the debate about the future choices our society will face and provoke new thinking about how policy makers might respond. In doing so, the Commission on 2020 Public Services hopes that this will assist in engaging more voices in this important debate.

1 Background

Scoping the Challenges is the first piece of commissioned research for the Commission on 2020 Public Services and will help to focus the rest of its work programme. It provides context for considering the issues within the Commission's inquiry.

Objectives

The aim of this report is to frame the implications for policy created by the drivers for change. In particular, it covers:

- **Trends and scenarios**
  What trends will be the most important drivers of change in society over the next decade and how might they interact in different scenarios?
  How will the needs, aspirations, and risks that citizens face change by 2020?
- **Implications**
  What are the implications of these trends for lives of citizens and the role of public services?

The analytic framework for the scenarios

Scenario planning is a strategic planning method that many organisations use to make flexible long-term plans. It is particularly useful for long term planning where outcomes will be the result of hard to predict or complex inter-relationships between variables. It is in large part an adaptation and generalisation of classic methods used by military intelligence.

The original method was that a group of analysts would generate simulation games for policy makers. The games combine known facts about the future, such as demographics, geography, political, industrial information, and mineral reserves, with plausible alternative social, technical, economic, environmental, educational, political and aesthetic trends which are key driving forces.

In business applications, the emphasis on gaming the behaviour of opponents was reduced. At Royal Dutch/Shell, the first major business to embrace scenario planning, it was used to challenge mindsets about future prospects, prior to formulating specific strategies. The technique is now widely used by many businesses and government departments in their long term strategic planning.

Scenario planning recognises that many factors may combine in complex ways to create sometimes surprising futures. The method also allows the inclusion of factors that are difficult to formalise, such as novel insights about the future, deep shifts in values, unprecedented regulations or inventions.

Key assumptions

In preparing our scenarios for the future of public services to 2020 we have used data on more than thirty trends. Most of these are trends that we have monitored at Trajectory and regularly use in futures exercises with our clients. Some of the trends were suggested by a sub-group of commissioners and other experts at a workshop early in the project.

This project is designed to inform the Commission's debate about the future of public services and public policy. Because of this, we have deliberately excluded assumptions and trends about policy and politics from our analysis. If we had included such trends we would run the risk of building in biases (or partial answers to the questions we are exploring) at the outset of the project.

The current economic crisis makes this a particularly difficult time to interpret and extrapolate behavioural trends. Many of the trends used in the scenarios are the product of 15 years of economic growth and stability up to 2008. Inevitably, some of these trends will be interrupted by the current recession. It is possible that some will be entirely reversed. Our assumption is that in most cases the trends will be interrupted, but will return in the medium to long term when economic recovery comes.

Where possible the trends are described from a consumer/citizen perspective. The aim here is to describe how the trends will be experienced by the people who pay for and use public services in future. We have organised our trends around the following four themes:

• Demographics
• Economics
• Culture and values
• Technology

The social trends have been split in to two areas, culture/values and demographics. This was done particularly to highlight the difference between structural trends (demographic) and those based more on values and attitudes.

A full list of the trends and some supporting data is provided in the appendix.

Scenario development process

The scenario generation process involves a three stage process.

First, we asked a group of people with an interest and knowledge in the area to consider the trends and their importance to the future of public services. During a workshop session they discussed not only the relevance of the trends but also rated them on two dimensions:

- How likely they believed the trends were to continue
- Whether their impact on the public sector is likely to be great or not significant

The results are mapped below. They represent the mean scores of workshop participants who ranked each trend on a scale of 1 to 10, where 10 was high impact/high certainty.[1]
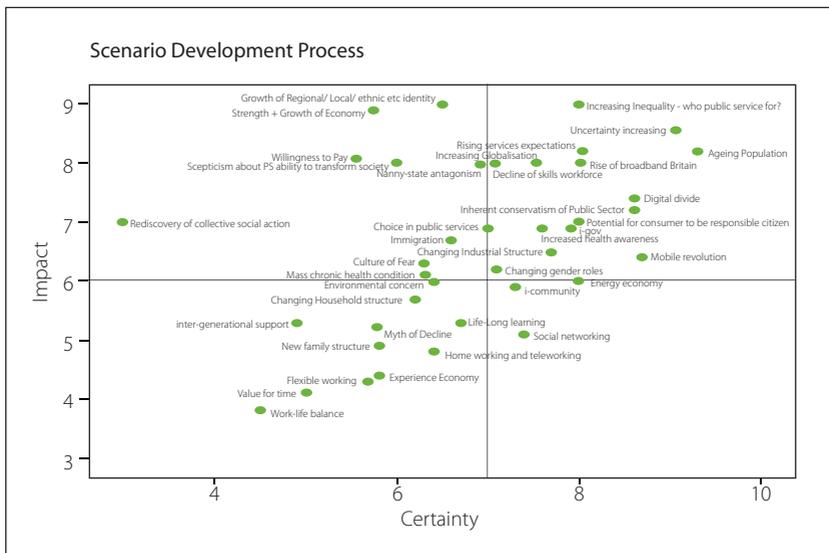
1 Most trends were ranked by all participants but some were introduced by individual members and may have been ranked by fewer and in a few cases by just one person.

The second stage was to develop scenarios from this 'map', which are presented as though they were written in year 2020.

Those trends thought to be most certain and most impactful (in other words, those trends mapped in the top-right quadrant) are used to generate a core or 'most likely' scenario. The trends included here were:

- Ageing population
- Rising service expectations
- Increased globalisation
- Digital divide
- Rise of broadband Britain
- Increased health awareness
- i-Gov
- Choice in public services
- Changing industrial structure
- Mobile revolution
- Changing gender roles
- Increasing inequality – who are public services for?

Two additional alternative scenarios are provided – one more positive and one more negative – though these are not exact mirror images of each other.

The alternative scenarios were built by including those trends in the top-left quadrant – less likely to happen but if they did, ones that would have a major impact on the future of public services. We also added some variation on how the trends in the top-right might vary too. In all of this, we took account of how the workshop participants' ratings varied. So for example, there was considerable disagreement about how certain and particularly how pervasive the digital divide might be. The different scenarios reflect very different views of the digital divide. For example, our positive scenario assumes that technology develops – through touch screen and voice recognition innovations – in a way that removes most of the current skill and literacy based barriers to access. In the negative scenario, this is not the case and significant barriers to access remain.

Some might feel that the core scenario presents a rather positive view. However, it reflects, in many instances, the extrapolation of current trends and does illustrate some of the key challenges.

The scenarios do not address in detail the issue of the extent, depth and fall-out of the current economic turmoil. This is covered more specifically and in greater depth in the separate Commission paper on public finances. The core scenario assumes that the recession is severe but not debilitating in the long term and finishes in 2011. The more positive alternative scenario is based on a shorter (than currently expected by nearly all economists) downturn and a quick recovery. The less positive one assumes a deep and prolonged recession, high levels of long term unemployment and massive public spending difficulties.

Pen portraits

After the scenarios we present a series of eight 'pen portraits' which describe the lives of eight fictional individuals living in the core scenario envisaged in 2020. In describing the circumstances, challenges and concerns faced by these people in their daily lives, we provide a different, more personal perspective on the challenges faced by public services in 2020.

The range of people presented in the pen portraits have been deliberately chosen to highlight the challenges that emerge from the core scenario. To this extent they cannot be said to be 'representative' of the future population of England (no sample of eight people could).

However, they have been selected to reflect as wide a range of people who will use public services in England as possible, in terms of:

- Age
- Gender
- Ethnic origin
- Sexuality
- Educational attainment
- Type of employment.

In developing the pen portraits we were careful to include people from good geographical spread of regions to reflect the future needs of urban, suburban and rural populations.

2 The scenarios

Core scenario – *steady as she goes*

Summary of the core scenario

- The population is older, but healthier than in 2009.
- Britain's economy is competing successfully in a globalised world – particularly in creative services.
- Technology is transforming people's lives – in the workplace and public services delivery.
- Citizens are increasingly demanding higher service standards – demanding choice and value for money.
- There is an underlying 'culture of fear' and anxiety, particularly surrounding personal health and security.

Older and healthier but challenges remain

As Britain's population has aged, so it has presented new challenges to the public sector. Here in 2020 there are nearly 13 million people aged 65 and over (out of a total population approaching 67 million). Compared with just 10 years ago, there are half a million more people aged 85 and over and nearly two million more aged between 65 and 84 years making a total of 2.4 million more pensioners. The demographic balance of power has shifted following the ageing of the baby boomer generation which has affected consumer, cultural and political agendas (see figure 1.1 in Appendix).

Another key group in society is young families. This represents the natural peaks and troughs of population waves working their way through (in this instance, the offspring of the baby boomers having their own children) but also the inward permanent migration into Britain from Europe in the first decade of the 21st century (see figure 1.2 in Appendix). Although there are fewer young adults – down three-

quarters of a million in ten years – there are more young children – one million more under 14 year olds (see figure 1.1 in Appendix). The former has had a positive impact on crime rates and anti-social behaviour, but the latter has increased demand for both health and education services.

Although people are living longer and are on the whole healthier, it is also true that morbidity (rates of illness) has increased over time. Not all years gained in life expectancy are in good health. Yet there has been an increase in the proportion of over 65 year olds able to carry out most daily activities such as stair climbing and personal care. These trends reflect increased years of mild disability, and a decline in severe disability. Two notable problems that remain are:

• gender differences – women continue to live longer, but experience proportionally more chronic ill health and disability than men at all ages;
• socio-economic differences – those in the richest 10% of electoral wards have 13 more years of healthy life expectancy than those in the poorest 10%

Both increased morbidity and longevity place a continued strain upon the health service (in particular, the latter more than the former). There has been a rise in some chronic diseases. While some health problems such as heart disease and stroke are increasingly resolved via medical advances, cancer continues to be a growing cause of illness, as does diabetes, asthma and dementia. In part this is the result of better screening and early diagnosis identifying these conditions.

Obesity is another concern (see figure 3.2 in Appendix). Although the rate of increase is not as high as feared 10 years ago, obesity has continued to rise and remains an issue. Given its known relationship to other health long term problems obesity persists as a major concern for the health service.

The increase in women's pensionable age up to 65 has meant that pensioners as a proportion of the total population haven't increased over 10 years (still just below 20%). The 10 million people born in the 1960s baby boom and now in their 50s are increasingly concerned about their pension arrangements, despite the success of personal accounts which allows them to see exactly how much money they will be entitled to in retirement. The new, low-cost, employer-based pension that was introduced in 2012 automatically enrolled many workers into the scheme and made great inroads into Britain's pension deficit. However, many about-to-be pensioners who have not been in the scheme long enough to reap the rewards

remain concerned about funding their retirement. This has raised the stakes on employment for older workers who increasingly wish and/or need to work to longer. Keeping employment opportunities open to this age group is not just desirable for the individuals concerned, it is just as important for the success of the macro economy as a means of sustaining GDP growth and reducing the dependency ratio (see figure 2.3 in the Appendix).

The growth in both young and old has put increased pressure on care services but fortunately family structures remain on the whole solid and cohesive enough to provide a good deal of informal care. As longevity 'stretches' the family form – making it more vertical than horizontal – so the older generations have assisted the younger generations either through informal help (such as child-care) or financial advice or even direct support (see figures 1.3 and 1.4 in Appendix).

Britain's economic place in a globalised world – a more creative workforce
Despite the serious recession of 10 years ago which caused a pause in its progress, globalisation has continued (see figure 2.2 in the Appendix). The main impact on Britain continues to be in the area of employment. Competitive pressures remain strong and it is increasingly difficult to match production (including labour) costs from elsewhere in the world, resulting in a continued move 'off-shore' for much of British manufacturing. The country's major strengths are in business services and the creative industries (see figure 2.1 in the Appendix). The shake-out in financial services in the 2009 - 2010 recession led to an even greater appreciation of the strength of the creative sector and value-added services in Britain. Advertising, design, visual and cultural arts and online design and services have all maintained their place in the global economy. What manufacturing remains is focused on science and high skill technology, with Britain's universities being at the forefront of bio-technology and leading-edge information and communications initiatives including software design.

Together with the need to promote geographic business clusters, the implications for university and science and IT funding are clear. Equally critical is investment in education – both pre-employment and training during it (see figure 2.6 in the Appendix).

In the world of work, women continue to progress both in terms of entry into the workforce and in climbing the managerial ladder (see figure 1.6 in the Appendix). Now women's participation rates are as high as men's, helped in part by the recession of 10 years ago most affecting male employees. Of course, many of these

are part-time workers and the economic capital lost during child-care (women still do most caring for young children) means equality at more senior levels may take another decade or two yet. But men are slowly doing more in and around the home and the desire of both men and women to be good parents and to have interesting and successful working lives. Issues remain, however, for some families who feel forced to work more hours than they would like (see figure 1.7 in the Appendix).

Techno-Britain has its benefits but dangers too
Technology is one development which has provided some help in the parenting and work-life arenas. Mobile devices for keeping in touch with friends and family, electronic tags on young children so parents can be sure of their whereabouts, video-links to nursery, pre-school and school classes are all settling working parents' nerves. The increased use of technology and the near universal access to broadband across Britain (see figure 4.2 in the Appendix) has made home/teleworking an option for more and more parents; there are now nearly five million people working significant parts of their week at home (see figure 2.5 and 4.5 in the Appendix).

Technology has had a major impact in other areas apart from teleworking. For example, it has increased access to choice as people have learnt to use online services in their day-to-day lives for researching products and services (see figure 4.1 in the Appendix). They are also more willing to make online purchases, with the internet now estimated to account for 15% of all retail sales. This doesn't include all the multitude of services from car insurance to holidays which are also purchased online. Not only has this raised citizens' awareness of choice but also for their expectations of fast, efficient and cost-effective services. The universality of mobile devices and on-the-move access to the internet means citizens expect these services to be delivered at any time and any place where the need arises (see figure 4.6 in the Appendix).

There also remain concerns about data security and the uses made of information by government and quasi-government bodies. This continues to inhibit the use of information technology in the delivery of public services. It is worrying that there are indications that companies are more trusted to handle personal information than government.

The other blot on the landscape is the problem that some people have in using such interactive devices and services (see figure 4.3 in the Appendix). It is not

simply access to the technology as such (after all, as with televisions at the end of the twentieth century, most of the population is 'connected') but rather the inclination and experience of using it. The main sufferers here are older people but also those on low incomes who can't afford some of the services on offer. People with insufficient education and those with literacy or language difficulties are also affected. The ongoing work on more intuitive and oral/aural interfaces suggests some hope in solving this. Although we are talking about less than 10% of the population, this remains a challenge for society and specifically the delivery of public services to those most in need of them.

More demanding citizens

The expectation of what technology can and should deliver represents a broader development in consumer attitudes and values (see figure 3.8 in the Appendix).

Technology-driven improvements in service delivery bolster a longer term consumer trend for higher expectations of service quality. This issue is boosted by the increasing drive by private sector companies to deliver such improvements. They seek to realise the commercial benefits of increased customer loyalty by improved customer care at the point of delivery and post-delivery and in managing and editing the range of choices expected (see figure 3.9 in the Appendix). As commercial organisations have increased the choices offered to match ever more fragmenting consumer tastes, so the internet has not only enabled consumers to be aware of them but to have the tools to search and choose them too. In this environment, the state is increasingly expected to match what the private sector is delivering in terms of service, choice and advice in getting the best solution (see figure 3.8 in the Appendix). Policy makers are also now more likely to be questioned about whether they can deliver services efficiently and cost-effectively.

In part, this reflects the degree of trust in the state versus companies, beyond that of information handling mentioned above (see figure 3.4 in the Appendix). Although the recession of 2009 - 2010 generally undermined views of probity in the private sector and financial services specifically, trust in many businesses has been growing in the last five years as companies have seen that putting the customer first is the way forward. This trend has heightened awareness of who is the 'boss' in the economic exchange; consumers now understand the value of their money to the commercial sector and hence what they can legitimately demand from suppliers. The public sector has some ground to make up here.

Questions arise about willingness to pay

There is a more fundamental issue related to citizens' increasing awareness – their willingness to pay for public services (see figure 3.10 in the Appendix). At a time of cutbacks, the middle classes are challenging the assumption that their entitlement to services continues to match their contribution, and are reluctant to accept inconsistencies in the system. With higher taxes, uncertainly over future pension payments and a decreasing range of services covered by the NHS, some citizens are advocating the use of private insurance schemes directly linked to contributions.

Even those who are willing to pay for others less fortunate than themselves are demanding that rights are closely related to responsibilities (that recipients are the "deserving" poor) and that there is clear value for money and return on investment. There is a sense that fairness and universalism may no longer be compatible.

Conflict and paradox

The problem here is the growing conflict between individual choice and policies designed for the masses. An example is climate change where the tension between those who want immediate action – such as restrictions on individual behaviour like air travel and increased investment in alternative energy – versus those who do not see the need to tackle this now. One of the most critical issues at work is how governments deal with the 33:33:33 dilemma that is often apparent in such policy debates (and not just those involving climate change) – a third supporting an initiative (often strongly), a third against (again sometimes vigorously) and a third being undecided.

There is a paradox. As life has improved for the vast majority of citizens – in terms of affluence, working conditions and health – so consumers have become more demanding and more wary of change. So, despite life expectancy increasing significantly (because many major illnesses have been overcome or suppressed) there is an increasing awareness of health and wellness issues (see figure 3.1 in the Appendix). There is almost paranoia and a general fear about our health – and other matters be that terrorism, crime or whatever – that Furedi has labelled a 'culture of fear'[2] (see figure 3.3 in the Appendix). This culture has been given added impetus by the recession of 10 years ago.

A further paradox is the continued growth of individualism alongside the enduring strength of family, friends and community. Despite the concerns of 10

2 Furedi, F (2002) *Culture of Fear: Risk taking and the morality of low expectation*. Continuum.

years ago that networks and relationships might be threatened, locality and nationality remain important (see figures 3.5 and 3.6 in the Appendix). It is as though our own individuality both recognises and needs the comfort of wider groupings and associations. The one worry within this is the growing mood against a multicultural model. Started by terrorism and inward migration in the first decade of the twenty first century (see figure 1.2 in the Appendix), this growing disquiet has been exacerbated by the economic problems since.

All of these issues in the area of citizen values and identity pose a range of challenges for public services in health care and service provision generally. Managing diverse groups and interest, persuading people of the value of publicly provided services and promoting tolerance and plurality are now key priorities.

Alternative scenario – *into the sunset*

Summary of the positive scenario

- Strong economic growth returns quickly after the downturn of 2009. This is supported by progress in education and training, where the UK now features in the top ten when compared internationally.
- Society is much healthier, driven largely by successful public health campaigns.
- Public confidence is increasing in the efficiency and effectiveness of public services as technology enables new and innovative modes of delivery.
- There is a strong consensus and sense of urgency about the need to tackle the problems of climate change.

Strong economic growth

In 2020, the UK economy is experiencing its fifth successive year of stable economic growth. The recession of 2009 is an increasingly distant memory. Recovery was quicker than expected, with public finances being restored to reasonable health by 2016 and average growth of 2.75% over the intervening period. Combined with genuine public sector productivity improvements, this has allowed public services to keep pace with rising citizen expectations.

England's relative strength in financial services, business services and the creative industries has secured near full employment. With the economy thriving there is an increasing need for immigration. The arrival of young adult immigrants means that some of the pessimistic forecasts for the dependency ratio have not

occurred. However, the larger than expected number of younger immigrants has increased the demand for public services in some areas – particularly education, housing and children's health and care services. However, funding pressures are not particularly acute as the tax take has steadily increased and other welfare payments have reduced as employment levels grow.

A consensus has emerged on the size of the public sector, and public spending comprises 43% of GDP. However, this is predicated on continuous improvement and increased productivity in the public services. "Innovation, innovation, innovation", is the new mantra of public sector workers. The focus on innovation and productivity gains grew out of the public spending cuts from 2011, when the public sector was forced to do as much, or more, with less resource. Though the purse strings have loosened again, the focus on innovation remains.

With the world feeling a smaller and more inter-connected place, debates about identity are being resolved. A new understanding emerges about the rights of cultures to celebrate their heritage and history. Increasingly, festivals that might once have been associated with one particular culture are now embraced and celebrated by the wider community, regardless of their origins.

The right skills for a globalised economy
Progress towards globalisation has carried on at a great pace in the last few years and this has put a renewed focus on the role of education and training in securing the future competitiveness of the UK. Though not exactly the envy of the world, the education system has been significantly overhauled and made a great deal of progress. The UK now features in the top ten when compared internationally. The proportion of adults with no qualifications (or highest qualification below level 2) has fallen from 40% at the turn of the millennium to 15% in 2020.

Universities have been particularly successful, proving themselves to be among the most innovative in the world and attracting the best international talent. The long debate about funding has been resolved with tuition fees, for those who can afford them, now an established feature of the system.

Looking back from 2020, The Children's Plan of 2008 is credited with achieving a great breakthrough in improving the experience of childhood. Its key achievement was the effective integration of all the public services relevant to children, with the early assessment of the needs of individual children. The government has missed

its target of eradicating child poverty by 2020. Despite that, this focus has been beneficial and progress has been made; in 2020, 700,000 children live in poverty compared to 2 million in 2011 and 3.4 million in 1997 (see figure 2.4 in the Appendix).

A healthy society, creating new issues and challenges

Public health campaigns have made real progress and the preventative approach to health is widely accepted by the vast majority of the population. A 'new rationality' and responsibility has emerged in relation to media coverage of health issues, resulting in fewer public alarms and scares.

The progress in the provision of health services has increased life expectancy in England to 95 for women and 94 for men – some of the highest life expectancies in the world. However, this does not result in an increased burden on the NHS as the healthy life-span is increasing at an even faster rate – reducing the period of illness at the end of life.

End of life itself has now become the new focus for debate about the appropriate provision of health services. The legalisation of assisted suicide in 2017 made it easier for people with terminal illnesses to end their own lives. However, developments in new technology have brought 'transhumanism' to wider attention. There is widespread debate and disagreement about the ethics of, and extent to which, public resources should be focused on new technologies that might extend human life indefinitely.

Full employment is also working in a virtuous circle with ageing. Employers have come to value the contribution of older workers, and are active partners in government sponsored lifelong learning programmes. As a result, flexible work is generally available to people up to the age of 70.

Though more flexible and varied, family structures remain relatively intact. In particular, inter-generational relationships are strong and remain the basis of care and financial support, reducing the need for state intervention. Research continues to show that increasing numbers of people feel that they enjoy closer and more positive relationships with their families than ever before. However, there is still some nervousness as the family transforms into an institution where people opt in and out through choice, rather than being an obligation. This means that the caring and support roles typically provided by families cannot be taken for granted in all cases.

New technology for all

Technology has become a force for efficiency and problem solving, particularly in the public sector. 2013's root and branch review of public sector commissioning of computer systems resulted in effective public, private sector partnerships.

Public trust in government handling of data is improving, so that a greater proportion of the population have the confidence to use the services provided. More generally, information technology is increasingly accessible and affordable to the vast majority of the population. This means that more and more public services have an 'e' component in their delivery and have become more efficient as a result. And despite concerns expressed at the start of this century, only a small digital divide remains with less than five per cent of the population excluded from using these new technologies to their advantage (see figure 4.1 and 4.2 in the Appendix). The universality of access and the great advances made in usability have ensured technology is now a revolutionary driver of both delivery and efficiency. This efficiency has allowed extra resources to be allocated to specifically-designed outreach programmes and alternative forms of communications for those finding themselves on the wrong side of the digital divide.

For over 20 years, the funding of public services has seen relatively consistent growth (2010 to 2013 being the only exception). In recent years the focus on improving the productivity of public services has increased public confidence in the ability of the public sector to innovate and deliver. The choice agenda is winning support, with middle class citizens increasingly willing to fund services as their quality improves.

Climate change – consensus and progress

There is a strong consensus and sense of urgency about the need to tackle the problems of climate change. Most people acknowledge that the government, companies and individuals have to make some sacrifices to reduce carbon emissions (see figure 3.7 in the Appendix). The key to progress has been in making sure that the implied sacrifices and restrictions are implemented as fairly as possible. Local democracy has been re-energised as individual authorities decide how to allocate their annual carbon budget, in a widely participative way.

Again, government targets (in this case to reduce carbon by 36% compared to 1990 levels by 2020) have proved to be ambitious. But real progress is now being made via great projects like the Severn tidal barrier that opened in 2018, as well as

small local initiatives. The objective of reducing carbon emissions by 60% of their 1990 values by 2050 is now thought to be achievable.

Alternative scenario – stormy weather

Summary of the negative scenario

- Economic growth has been sluggish since the downturn of 2009 with Britain suffering a 'lost decade' similar to that of Japan in the 1990s.
- The education system is still a barrier to economic competitiveness.
- Social tension and fragmentation cut across racial, ethnic, cultural, gender, socio-economic and generational divides in society.
- The public is reluctant to give away personal information, fearing persistent breaches in data security – stalling progress towards public services enabled by innovative technology.
- Climate change has been low on the political agenda so Britain has fallen well short of its target to reduce carbon emissions.

Economic stagnation a catalyst for public service innovation

Public services are still feeling the hangover from the recession that began over a decade ago. Though the economic downturn officially ended in 2011, growth has been sluggish ever since, with Britain suffering a 'lost decade' similar to that of Japan in the 1990s. Unemployment has proved to be stubborn and persistent, standing at 2.5 million (a fall of only 500,000 from its recessionary peak), and the gap between the richest and the poorest quintile households has continued to widen since 2005 (see figure 2.4 in the Appendix).

Public services are feeling the strain of increasing demand at a time when public spending has only just recovered to 2009 levels (in real terms). The squeezed middle classes are increasingly reluctant to fund public services and demand a reduced role for the state. Public services are seen as risk averse, with no track record of delivering innovation or gains in productivity.

The impact of public spending cuts has not been evenly felt across all departments. There has been an attempt to maintain spending in health and education, but the above inflation spending increases that these services saw in the first decade of the millennium are no longer possible. Other departments have experienced deep cuts. DCMS, for example, has had to cut its support for public arts

and culture. The Department for Transport has had to focus on maintaining existing infrastructure rather than progressing with new projects such as the now abandoned high speed rail link from London to Scotland.

In some areas of the country the national economic problems have prompted innovative community action to replace public services that have been cut. These initiatives have been led by local voluntary organisations, and in some instances, communities themselves. The problem is that this type of innovation is patchy and not provided in many of the areas that need it most.

The education system feels the strain
Though spending on education has been maintained, it has not seen any above inflation increases. Progress on achieving targets has slowed. The education system is still seen as barrier to economic competitiveness. In international comparisons the UK system consistently falls below those of the other major economies. The proportion of adults with no qualification (or highest qualification below level 2) is still at 25%, showing only a small improvement in the course of the last two decades.

The transfer of economic power from west to east is creating a brain drain from the country as top academics seek lucrative posts in Asian universities. This is undermining the competitiveness of the university sector, which for last three years has seen a fall in overseas student numbers. These developments have placed a number of higher education institutions in jeopardy, with some facing either closure or mergers with other institutions.

In schools, there are one million more under 14s than ten years ago. This is putting an increased strain on the schools system – especially as the impact of the slow economy means that many middle class parents can no longer afford to send their children to private schools. There are now often 35 or more children in one class. Tensions between people of different religious faiths have increased. There has been a significant increase in the proportion of children educated in single faith schools.

Little progress has been made on child poverty in the last decade, as tight public finances have left no room for the expansion of the tax credits system. The public (and therefore politicians) appear unwilling to engage in a necessary debate about redistribution, with middle class families not prepared to give up their entitlements to generous tax credits established in the late 1990s. There are still two million children living in poverty and the UK is still ranked as one of the worst developed countries to raise a child.

Social division and fragmentation

Within the UK, support for globalisation has given way to protectionism. This, along with high levels of unemployment, has provoked antagonism towards immigration and migrant workers. There is increased fragmentation of identity and a growing intolerance of diversity, with subsequent ghetto-isation of communities. Racially motivated and other 'hate' crimes (particularly those based on religion) have increased steadily, leading to a sharp rise in public fear of crime.

Increased income polarisation has a geographic as well as a socio-economic dimension. The south and east of England are experiencing some moderate economic growth (between 1% and 2% per annum over the last eight years). The regional economies of the north of England have never really recovered from the recession of 2009/10 and are stagnating (with growth rates ranging from -1% to +1% over the last eight years). As a result, the rate of migration from poorer regions to wealthier ones has increased. This causes problems for public services in both the destination region (where there is increased pressure on housing) and origin regions (where care services are under pressure as population's age and families are dispersed).

Large numbers of younger immigrants, particularly those from Eastern Europe, have returned home as the UK's economic prospects now look little or no better than their home countries. This has resulted in an increase in the dependency ratio and consequent pressure on state pension provision and social care. Older people work longer, feel less secure and are resentful that their generation is not enjoying the care and support that it afforded to others. This is creating increasing inter-generational tensions as pensioners become a more assertive political force – with an agenda to tackle ageism in the workplace.

The lack of cross-generational tolerance, in addition to an increased rate of relationship break-up, puts extra strain on family structures and reduces informal care arrangements that had been a feature of family life at the turn of the millennium.

Unhealthy lifestyles

The economic and social climate is detrimental to a range of health outcomes. The stresses and tensions of the last decade resulted in an increase in a range of medical conditions with both physical and psychological dimensions.

Health promotion campaigns are having limited impacts on issues like obesity,

smoking and drug misuse. The economic gloom has prompted many people to seek comfort in behaviours that they know are not good for their health. Government attempts to encourage healthier lifestyles are resented and in many quarters there is a reaction against this aspect of the 'nanny state'.

Developments in genetic profiling mean that total life costs of health provision for each individual is much better understood. Given the strain on the overall NHS budget, there is now serious political debate about those with a genetic disposition to certain illnesses being forced to pay more for health care through increased taxation.

Suspicion and scepticism about new technology
There is increased suspicion of information technology and people are increasingly reluctant to provide the state with personal information. Data security breaches and late delivery of major IT projects are still problems in 2020. As a result, many of the service improvements and efficiencies that were expected to be delivered by 'e' government have not emerged.

Technology remains a source of division and exclusion in wider society as new developments are targeted at the few people in society that can afford to pay for them (companies have to charge premium prices to fund their R&D costs).

The latest developments in medical and bio-technology are also proving to be divisive. This is one area where British industry has a competitive advantage. However, companies and universities that operate in this area are coming under increasingly violent attacks from religious fundamentalist groups that object to their activities.

Climate change low on political agenda
The tight economic environment has limited the funds available to invest in low carbon technologies. Some major environmental initiatives have been put on hold, and renewable energy sources still only account for 8% of all energy production (well short of the government's target of 20% for 2020). As a result of this, Britain has fallen well short of its target to reduce carbon emissions by 36% of their 1990 levels.

3 A picture of what the core scenario might mean for real people

Note: all the people below are fictitious and any resemblance to anyone alive today or in the future is coincidental and not intended.

Nicola – 30 years old, accountant, single, Manchester

Nicola graduated in 2013 with a degree in business studies. She works in the finance department of a global, Chinese-owned advertising agency based in Manchester. She has worked for the same company since she graduated. She sometimes thinks about switching jobs, but memories of the economic downturn at the point when she was studying for her A-levels have made her risk averse in the job market. As a manager of a small team of younger finance professionals, she sometimes finds it hard to understand their carefree approach to work. Nicola has a partner and they plan to live together later in 2020. House prices in Manchester are very expensive due to increased immigration. They would probably have moved in together sooner if they could have afforded to buy a place to live or if rental prices were not so high. They hope to start a family soon and a decent local school will be a major factor in determining where they buy, as education standards still vary quite widely.

Nicola's main contact with public services is in her capacity as a carer for her mother, who is divorced and suffered a stroke two years ago which left her needing constant care. The local Primary Care Trust (PCT) have worked out an individual care plan with Nicola and her sister. Between them they are able to provide care to keep Nicola's mother living at home. Nicola finds it reassuring that at any point in time she can have a video-call with her mother and monitor her vital signs remotely.

Nicola is a keen traveller and whilst she is away she can pay for an agency to

provide support for her mother (and her 4G phone can keep her in touch no matter where she is).

In her spare time, Nicola is trying to keep fit and lose a few pounds as her GP told her she falls into the overweight category. She is participating in a local authority funded fitness initiative. In 2018 her local PCT decided that they would subsidise private gym memberships based on frequency of attendance and reports from her personal trainer, mirroring current commercial insurance practice.

More generally, the key thing that Nicola demands from public services is the speed and efficiency of response that she provides to her clients at work. Most of all they need to be online and available to transact in a way that fits with her busy schedule.

Ben – 42 years old, advertising account director, married, North London

Ben has been married to Samantha for 12 years and they have two children, Ethan and Raine, aged eight and 11. With London remaining one of the global centres of the creative industries, Ben's job as an account director of a major Chinese global manufacturer of personal multimedia devices is not only safe but well rewarded. The family live in Barnsbury, an already gentrified area that has been boosted even further by the successful redevelopment around Kings Cross and the impact of Crossrail. Ben and Samantha's experiences of public services are, on the whole, happy ones.

The urban renaissance of his local area has meant that many middle class families have been attracted to the neighbourhood and local schools are thriving. His son Ethan needs to decide which secondary school to go to and he has a wide range of choice, the major problem being choosing the one best suited to him. If only there was more help in helping make that decision. The health service is very competent and has led the way in assisting citizens to make informed choices. As experienced IT users Ben's family find the remote diagnostics and online help facilities very good.

Their main cause of concern is crime. Not that Barnsbury or the surrounding area is much affected by it, rather their fear of what might occur in other parts of London. Their fear, rather than the reality of what they experience, is the critical issue here, exacerbated by sensational headlines in the media. They do wonder whether their taxes (which are still high after the major government bail-out of banks ten years ago) are spent in the best ways and they are considering voting for the new hypothecated (earmarked) tax party that will clearly show them where their money is being spent.

Ben is also tempted by the prospects of emigration. He knows his Chinese employers would welcome him to their Shanghai HQ at any time. This would be a very beneficial career move, but he worries about uprooting his family. This year they plan to have a prolonged stay in China during the summer holidays to see if they like it.

Susan – 75 years old, retired, widowed, Peak District

Susan lives on her own in a small, picturesque village in the Peak District. She and her husband, Jack, moved there in 2010 after he retired from his job as a company director of a medium sized and successful engineering firm based in Birmingham. Although she is comfortably off, she is not living the life either that she had before his retirement or that she expected to in her old age. Jack retired in 2009 and his direct contribution pension pot was vastly reduced by the stock market crash of 2008. As it was an integral part of his work, Jack did all the computing (and handled all the bills) so that Susan never needed to worry about them. But Jack died two years ago and although her children (one son and one daughter) live within 30 minutes of her and help whenever she asks, she struggles with these things.

With the family (she has great grandchildren now as well as grandchildren) so close she seldom feels lonely and has an active social life with old friends and new ones she has made in the village. But she would like to be able to better manage her finances and interact with social services online like everyone else seems to nowadays. She just finds it all bewildering.

Her other major concern is health services. She has a number of niggling problems and not being in a major urban area means does not have access to the sort of care (and specially advice) that she needs, and, indeed, she feels her family has paid for via taxes.

Jade – 16 years old, student, Birmingham

Jade lives with her parents in a housing authority-owned flat in the Brandwood area of Birmingham. Her parents are first generation immigrants who came to Britain from Nigeria at the turn of the millennium as Britain needed workers to fill public sector jobs. Jade's mother is a nurse and her father is the caretaker of primary school. Both have seen their salaries barely keep pace with inflation in recent years as pay settlements have been tight. Jade is still at school studying for her GCSEs but has a part-time job at the local swimming pool to earn pocket money and make a contribution to the family finances.

Jade enjoys school, works hard and is expected to do well in her exams. She is, however, aware that resources at her school are more limited than at some others. The school has a poor reputation, having performed poorly in terms of exam results until recently. It was the only choice open to Jade as Birmingham is struggling to cope with demand for school places due the population surge of young families. She would have preferred to go to one with better computing facilities as she hopes to work in information technology after university. She would like to go to a local university as this will mean she can still live at home and keep costs down.

In recent years, there has been an increase in racially motivated violence in Birmingham. As a black teenager, this is a source of real concern to Jade. Though she knows it is unlikely that she will be a victim of an attack, she and her parents still worry about it. She is very careful where she goes out and never travels home in the evenings on her own. Fears about her safety mean that Jade stays in more often than she would like, but this does mean she gets to spend more time on the computer keeping in touch with friends via the latest social networking sites.

Sheila – 62 years old, shop worker, married, Yorkshire

Sheila lives with her husband Dave in Yorkshire. She has worked at the local supermarket for the last 10 years. She took the job to help make ends meet, as Dave's business (he is a self-employed painter and decorator) was suffering in the recession. Dave is now semi-retired, but still works occasionally to help pay the bills as their pension provision is less than they would like. They have two children in their thirties and two grandchildren. Sheila and Dave look after the grandchildren on a regular basis to help their daughter who has a full time job. They recently paid off the mortgage on their home (a three bedroom terraced house).

Sheila has been very overweight for many years and suffers from type two diabetes. She attends a diabetes clinic run by Diabetes UK on behalf of the NHS. She is getting better at managing her condition and it does not affect her life too much. The main impact is that she has to keep regular appointments at the clinic. She still prefers to attend the clinic for face to face checks even though she knows that it is possible to manage the condition remotely by posting samples and using the internet to check her results.

Sheila describes herself as a techno-phobe and does not like using computers. She is worried about online security and strongly objects to the idea of her medical details being stored electronically. She is more trusting of Diabetes UK to handle

her data than the she is of the NHS, but she is still reluctant to take the plunge with online consultation.

Eric – 85 years old, retired farm worker, Nr. Exeter

Eric is a widower who lives alone in the village of Crediton, just outside of Exeter. He retired from his job as a farm worker when he was 70. He worked for as long as he could because he did not have adequate pension provision and he enjoyed being outdoors. However, the physical nature of the work became too much for him at 70 and there were no other jobs available locally for which he was suited. He lives on the basic state pension and money is tight.

Eric has two children, but they have left Devon. One lives in London and visits Eric at least once a month. The other took a banking job in Shanghai two years ago, and only comes home once per year. Both his children encourage him to visit them but, having lived in the countryside all his life, he is not keen on visiting cities.

Eric has arthritis and, since his wife died, is dependent on social care to keep him living independently. He has a cleaner and one meal per day provided by social services. Eric's home is kitted out with a range of alarms should he need help at any time. He also has a video screen which allows him to speak to a carer 24/7 should he need anything. Eric also has a couple of friends living nearby and they occasionally call round and take him to the village pub.

Despite his son installing the latest communications and surveillance technology in his home, Eric worries about crime. The village population has declined in recent years and he feels that the sense of community in Crediton has disappeared.

Norman – 62 years old, civil servant, living with partner, Southampton

Norman lives with his partner, Henry, in Southampton. He commutes to London each day where he works for a government department, managing a small team of researchers.

Norman is pre-occupied with his retirement which is due in three year's time. Under new practices introduced in 2015, the department would allow him to continue to work after the age of 65. However, Norman quite likes the idea of taking a job nearer home so that he does not have to face the daily commute to London – which though the service is pretty reliable is very overcrowded as capacity has struggled to keep pace with demand.

Norman is investigating whether he might be able to re-train by attending a local course especially aimed at people approaching the traditional retirement age, but who prefer to keep working. Despite using computers and other information devices at work, Norman does not feel up to speed with the latest software. He would like to re-train so that he can work in an information technology role at one of the local galleries or museums. He is also aware that being up to speed with the latest applications has many advantages in terms of accessing many of the new services provided by both private sector companies and public service organisations.

Norman is particularly keen to keep working because, not having any children, he is aware that he and Henry only have each other for both financial and caring support. His other major concern is the relatively high levels of crime in Southampton. Crime increased during the recession 10 years ago, and though some types have returned to their pre-recession levels, crimes associated with the drug-scene in Southampton are still prevalent. Many of Southampton's public spaces which, 15 years ago were a source of civic pride, are now no-go areas after dark.

Jason – 23 years old, road sweeper, single, South London

Jason lives with his mother in public housing on an estate in Stockwell in South London and has had very little contact with his father since his parents separated when he was aged three. He had a difficult time at school, following a late-diagnoses of Attention-Deficit Hyperactivity Disorder (ADHD) when he was 14 years old. He was excluded on several occasions and left with only three GCSE A to C passes.

Jason has had some periods of unemployment since leaving school. For the last six months he has worked as a road sweeper for Lambeth council. Jason felt he had no choice but to take this job, otherwise he would have lost all his benefits once it had been offered to him. This situation has made him considerably bitter and resentful toward the government and he often experiences overwhelming feelings of powerlessness to change his situation.

Despite this, Jason is studying from home in the evenings for a diploma that would allow him to work as an electrician. Most of his studies are carried out online, but this is not a lonely experience. He is a member of a local education network, which allows him to study alongside other people, sharing experiences and ideas as they work. For the first time in his life, Jason is actually enjoying studying.

Jason has a girlfriend called Aman. She is 19 years old and gave birth to their first child two months ago. Aman received excellent support from the NHS during

pregnancy. Her GP referred her to a special intervention programme for young mothers when she first became pregnant. The programme was funded by a well known baby food manufacturer as part of their corporate social responsibility programme.

It looks like it will be impossible for them to live together for some time to come, despite the fact that they have a child. Demand for social housing still massively outstrips supply following the slowdown in house building ten years ago. There is no chance of them being able to afford private rented accommodation or to buy a place of their own. Aman continued to live with her parents when the baby was born. Her parents are practicing Hindus and did not initially approve of Aman's relationship with Jason – mainly because of the prejudice they thought they may face as a mixed race couple. Both Jason and Aman hope that when he qualifies to work as an electrician they will be able to afford to live as a family in a place of their own.

4 Key trends for the future

The scenarios and pen portraits presented in this paper have been informed by those trends most likely to continue and impact most on the future of public services (see Appendix for an explanation of these trends). In researching and creating the scenarios, it appears that five major challenges will be relevant, to both the nature of public services required, and the challenges of public service delivery. These are:

- demographic driven demand,
- shifting identities,
- meeting diverse demands,
- rising citizen expectations, and
- technology – a driver of change, a solution and a problem.

Demographic driven demand

Demographic change, especially the ageing of the population, will increase the demands placed on public services. Health, social care and pensions are the three areas most obviously affected by ageing. Other policy areas impacted by changing demographics include education and training (lifelong learning as the retirement age increases) and flexible working policies (as older people stay in the workforce for longer).

An often overlooked demographic trend is that the number of under 14 year olds is also set to increase by 2020, due to immigration and the children of the baby-boomers having their own children. This will have implications for health, education, and children's services, creating potential conflicts between the generations on spending priorities.

Shifting identities

Identities seem to be increasingly fluid. Attachments to, and associations with, family, community, locality, and nationality (especially, post-devolution) are more varied than ever. This presents a challenge to public services in a number of ways. First, it is more difficult to identify the types of services required, and how they should be organised. Second, it impacts on people's willingness to pay for services. People are more willing to pay for the services delivered by the institutions operating at the levels where identity is strongest.

Within all the complexity caused by differing identities one key theme does emerge with regard to public services – a greater support for the 'local' compared to the 'national'. Within health, for example, survey after survey reveals that the public have greater support for, and appreciation of, their local services compared to the NHS as whole. As the funding of public services comes under increasing pressure because of the economic crisis, and willingness to pay for public services may be increasingly called into question, the need to explain the inter-dependence of the national and local will become more important.

Meeting diverse demands

Linked to the above trend, fragmentation of demand for, and expectations of, public services will also be a challenge. There are many issues where consensus on the role of the public sector and expectations of it might be difficult to achieve. For example, attitudes on climate change and policy interventions to alleviate it currently reveal a three way split. Approximately a third of the population want action on climate change now, a third does not want immediate action and a third 'don't know'. Exacerbating this situation is a decline in trust of politicians to make these types of decisions on our behalf (accelerated by concerns over the 2009 MPs expenses scandal). In these circumstances, it is very difficult for public services to deliver in a way that meets with widespread public approval.

Rising citizen expectations

Over time we have seen a steady increase in the service standards expected by the end users of public services. Standards of service that were deemed acceptable 10 years ago are no longer good enough. There is no reason to assume that this trend of rising expectations will change.

Enormous progress has been made in identifying effective solutions to a broad range of social problems. However, the problems that many public services seek to address remain complex and deep rooted. What we mean by 'want' and 'poverty' shift as society becomes more affluent. Definitions of 'health' and 'disease' change as new medical interventions become possible.

Rising citizen expectations are likely to put an onus on innovation and end-user knowledge and understanding. This should allow individual needs to be met in a more specific, tailored, timely and efficient way. A failure to deliver on this could see a decline in willingness to pay for public services and an increase in the belief that public services (however delivered) are inherently inferior to private market solutions.

Technology – a driver of change, a solution and a problem

New technology emerges in many areas as a means of transforming the way we live and work. It offers the prospect of significantly increased productivity for the public sector, including the delivery of public services in an increasingly efficient, cost effective and user friendly way.

However, new technologies also present the challenge of equality of access and usage. More intuitive and easy to use technologies (touch screens and voice recognition, for example) should reduce differential access to technology on the basis of skills and literacy. But the costs of new technology are likely to remain high and this will be a force for continued digital exclusion.

5 Policy dilemmas

There are many dilemmas for policy makers arising from the trends described in this report. In this final section, we explore three of these dilemmas:

- **Cost pressures** (in many instances irrespective of the current public finances),
- **Consent** for the state to act where solutions are clear but require behavioural change by citizens, and
- **Capabilities** of government to harness the power of technology and the information on service performance that citizens hold.

Cost pressures

As a result of falling tax take (estimated to drop by 7.5% over 2009 - 2010) and rising public spending (assumed in the 2009 Budget to increase by 7.4% 2009 - 2010 compared to 2008 - 2009 levels), public sector borrowing is likely to reach a post war peak over the next two Parliaments. According to the Institute for Fiscal Studies, national debt as a proportion of GDP is set to more than double in just five years. Restoring the level of debt back to the former 'Sustainable Investment Rule' of less than 40% is forecast to take over twenty years. A combination of tax increases, spending cuts and efficiency savings could all be required to fill the gap in the public finances by 2020 – all of which are not easy political decisions to make.

Adding to this imperative, remains the fact that even without the economic downturn public services would be facing increasing demand cost pressures due to the demographic and cultural trends presented in this report.

For example, there is likely to be significant growth in the number of young children in the population by 2020 and this will place additional pressure on the education budget. Other demand cost pressures include:

Child poverty: There is cross party consensus on the goal of ending children poverty, even if there are sharp disagreements about the best means of doing so. The size of the problem is clear: 2.9 million children currently live in households below 60% of median income. This is about 1.1 million fewer children in poverty than in 1998 when the target was set, but only amounts to two-thirds of the targeted 2010 reduction. However, without any new policies this trend will reverse leaving 3.1 million children in poverty by 2020. The Joseph Rowntree Foundation (JRF) estimates that the costs of meeting the 2010 target to halve the 1998 level of child poverty is around £4 billion a year more than currently planned on benefits and tax credits. If the 2020 target to end child poverty was to be met, JRF estimate it would cost more than £30 billion between now and then. This is a large sum, but substantially less than their estimate of £25 billion a year that child poverty (at current levels) is costing the country, in extra spending, lost taxes and lost GDP.

Health: In 2002, the Wanless review of health spending concluded that the UK would need to devote a substantially larger share of its national income to health over the next 20 years, in order to deliver the required improvements in standards. The intervening years have seen a rapid growth in spending, but now, with predictions of very low or zero growth in funding from 2011 onwards, looks to decrease rapidly. Three out of every five people aged over 60 in England currently suffer from a long-term condition, and as the population ages, this proportion is likely to rise. The King's Fund estimates that the UK economy stands to lose £16 billion over the next 10 years through premature deaths due to heart disease, stroke and diabetes. However, with the ever increasing availability of new treatments, and questions over whether money is better spent on prevention as opposed to cure (which at best is usually relief from symptoms), hard choices will need to be made about where the health pound is best spent.

Social care: The 2006 Wanless Review of the social care system argued that social care for older people will require sharp increases in funding to meet the demand for high quality care over the next two decades. If the Review's recommendation of a partnership model was implemented (guaranteeing a minimum level of care in a universal system, and requiring some form of contribution from users), this would be more expensive than the current means-tested system of social care (up to 2% of GDP by 2026, approximately £29 billion[3]), but provide better care packages for older people with fewer people needing to sell their assets.

3 Based on 2008 GDP expenditure at current market prices, last updated 22/05/09

Skills policy: The Leitch Review estimated that 70% of 2020's workforce would have already left compulsory education by 2006, and an additional £1.2 - 2 billion annual investment will be needed between 2006 and 2020 on skills qualifications up to Level 3. The specific priorities for skills policy outlined in the Leitch Review may be contested (e.g. Wolf 2008) but there is widespread agreement about the importance of investing in skills to increase opportunities and adaptability in the face of economic change, particularly following the recession. However, the Further Education sector will not be immune from the squeeze in departmental spending in the 2010 spending review period. Although allocated additional capital in the 2009 Budget, the Further Education sector was already tasked with delivering cashable efficiency savings of £340 million in 2010 – 2011.

Public sector pensions: The estimated public sector pension shortfall is over £1 trillion, which is 70% of GDP. This is expected to increase by 2020; the National Institute for Economic and Social Research predicts the deficit will reach nearly 100% of GDP by 2015.

Consent

Not all of the dilemmas facing policymakers are about money. Progress in some areas will hinge more on citizen consent – accepting a legitimate role for the state in shifting social norms and ingrained personal habits or behaviours.

Public health: The 2007 ban on smoking in public places is an example where a sufficient consensus on the legitimacy of state action through legislation did lead to a change in social norms and personal behaviour. If applied to other areas of public health, policy-prompted behavioural change could precipitate massive public benefit, and also long-term savings on primary, secondary and tertiary care. In the core scenario above, obesity remains a problem. Yet addressing it is not simply a case of legislation, but rather a combination of government information and advocacy,[4] alongside a public willingness to change existing lifestyle patterns and social behaviours. This is a multi-layered issue that will be resolved through developing public consensus, as well as public investment.

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4 These can also be costly. In 2007, an intensive campaign trailing the smoking ban cost the government almost £1 million per week, over a two month period.

Climate change: A slightly different – but no less intractable – dilemma is evident in relation to the politics of climate change. There is broad recognition (in the general public and in the political world) of the potentially catastrophic problems that loom, should we fail to significantly reduce our carbon emissions Yet addressing the issue at its root requires a step change in behaviour at all levels – for example, individuals need to be more eco-aware, businesses must pursue environmentally friendly strategies, and governments must be able to incentivise and encourage with the goals of multi-national agreements (such as the Kyoto Protocol) in mind. Each of these changes require some public spending. However, this spending will be redundant in the absence of consensus about the issues and consent for the state to act – something that evidence in this report has shown difficult to obtain.

Capabilities

A third dilemma relates to the capability of the state to take advantage of technological advances that could transform service delivery. New public technologies have enormous capacity to improve public sector productivity, and to facilitate more tangible citizen choice and voice. Yet radical improvements in this area will involve expensive up-front investment, and are hardly guaranteed to succeed.

Large scale IT public services projects have often been poorly managed in the past. For example, in London a failed NHS computer system cost the Royal Free Hospital and St. Bartholomew's a combined £17 million.

Some changes need not be expensive. Better use of customer insight technology can help to drive up quality of public services and increase personalisation. Technology can also be used to facilitate choice and voice for service users. NHS Choices is an example of web-based technology that allows citizens to take greater control over when and where they access secondary health care. Online moderation of the site's 'Your Thoughts' section (allowing patients to give feedback) has been calculated to cost £107,000 annually (2008). However, the total cost of the technology amounted to £80 million.

Maximising opportunities presented by public technology require that the government also invest in reducing the number of people who cannot access or use the technology. Lord Mandelson recently estimated the total investment needed to develop digital infrastructures and to encourage adequate skills and motivation amongst those currently digitally excluded as approaching £1 billion by 2012.

6 Conclusion

In creating alternative scenarios and sketches of fictional characters, the aim is not to predict the future, but to raise new questions – prompting new thinking on what the future might hold, and how policymakers can respond effectively.

Ultimately, this report highlights that such thinking will need to take into account more than just fiscal constraints. It is clear that policymakers must deal with a shifting set of demand pressures (led by our five 'challenges' of demographic-driven demand, shifting identities, meeting diverse demands, rising citizen expectations and technology as a driver of change) which will need to be addressed whatever trajectory on which the economy emerges from the downturn. The policy dilemmas presented in this report highlight the inescapable fact that we can no longer afford to continue and expand upon many of the current policies. Difficult decisions on the proper scope and priorities for public spending will need to be made, including the extent to which citizens can and should mobilise alternative sources of welfare.

Creative policymakers must look at this combination of rising demand and constrained resource constraint as an opportunity – to radically re-shape the purpose and alignment of public services to better reflect the needs, wants and capabilities of 2020 citizens. The 2020 Public Services Trust invites readers to join the debate on how this might best be achieved.

Please visit www.2020publicservicestrust.org/publications and click on 'Add a Comment' under *Scoping the Challenges for 2020 Public Services: Drivers for Change* to have your say.

Appendix – Trends

Below are listed all the trends considered in the analysis. It is not an exclusive list
but we believe it covers most of the major trends. This lists all trends identified at
the start of the project by Trajectory as being potentially important but also three
(increasing inequality, growth of regional identity and willingness to pay for public
service) that were identified in the trends workshop.

1. Demographic trends
1.1 Ageing population
The demographic profile of the UK continues to age

Age structure of UK, 2010 to 2030
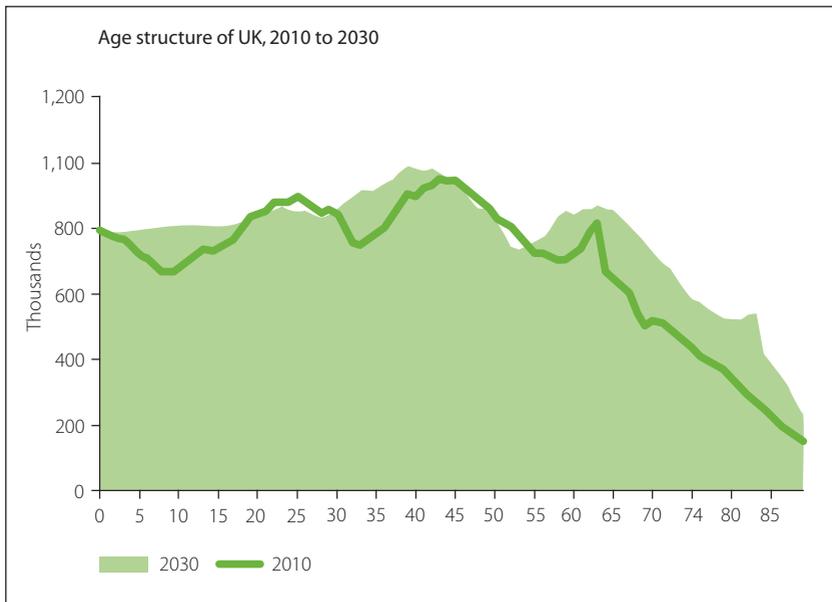
Source: Government Actuaries Department, 2006 projections

The baby boom of the post-war years followed by the baby bust of the (recessionary) 1970s will continue to have an impact over the next twenty years. The largest group will be those aged 35 - 45 (the children of the boomers) and the boomers themselves (those aged 60-70). Inward migration in the past decade has also had an impact helping to boost the numbers in the 35 - 45 band in 2030. The ripple from this is shown in the increase in children too. The numbers of very old (over 80 years) will increase significantly over this period from 2.9 million in 2010 to 5.3 million in 2030 (a rise of 83%)

1.2 Immigration

A significant bump in the birth-rate is in part attributable to the influx of permanent migrants to the country. Also, declining support for multiculturalism has potential implications for public services.
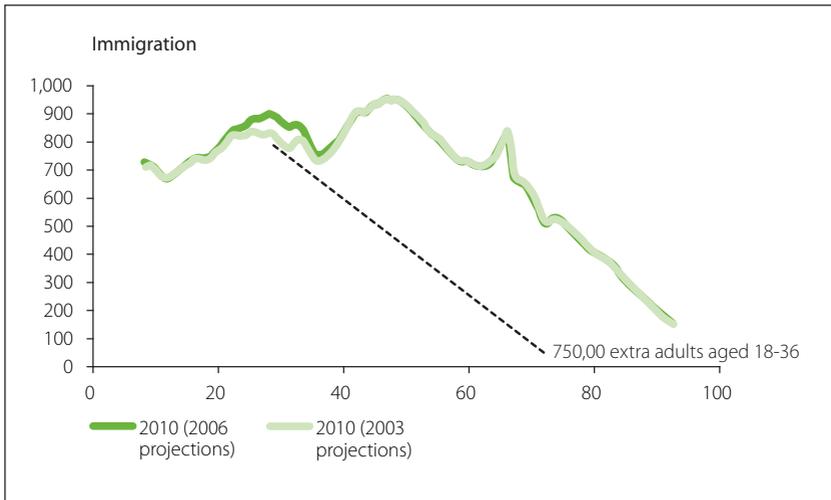
Source: Government Actuaries Department, 2003 and 2006

Q. "There are too many immigrants in Britain"		
	Agree %	Disagree %
1997	61	35
1998	56	33
2008	70	22
Source: Ipsos-MORI, 2008		

Mass immigration to Britain from Eastern Europe in particular, has led to a significant population bump which has also had a (slight) positive impact upon the birth-rate. However, after decades of rising tolerance of minority ethnic groups and immigrants, increasing numbers of people now believe there are too many immigrants in Britain. This may act as a check on the ability of migration policy to lower the dependency ratio. Other data shows that British citizens increasingly expect immigrants and other minorities to adapt a British way of life and are less supportive of preserving diverse cultures. This could be an increasing source of tension with the local delivery of housing, health and education services in parts of the country with ethnically diverse populations.

1.3 New family structure
The traditional horizontal family has declined to be replaced by the multigenerational vertical family.
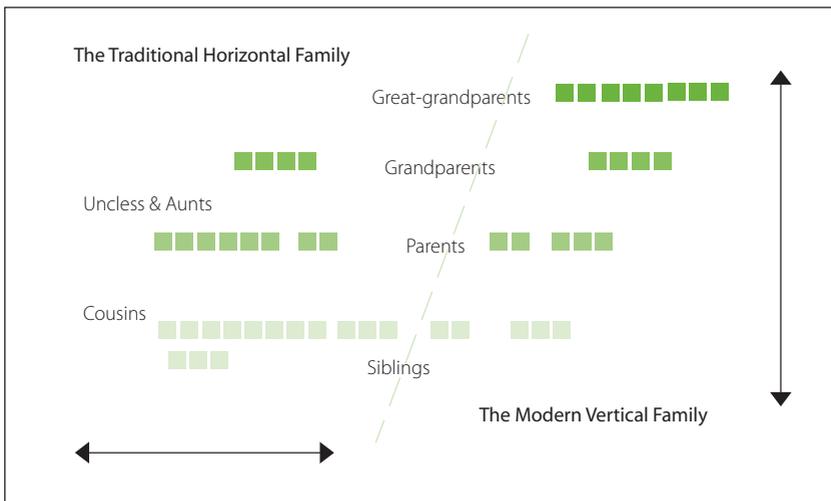
Source: Willmott and Young, 1973

Willmott and Young identified in the Symmetrical Family and their subsequent work that as birth rates fell and life expectancy increased so the family structure got longer and narrower or, as they put it, more vertical and less horizontal. Fewer cousins and uncles and aunts, more grand and great-grandparents and children. Such ties, being direct blood ones, may help to promote more family and inter-generational engagement.

1.4 Intergenerational support

It appears that grandparents are playing an increasing role in child-rearing which is one example of increasing support provided across generations.

Frequency of grandparents looking after grandchildren
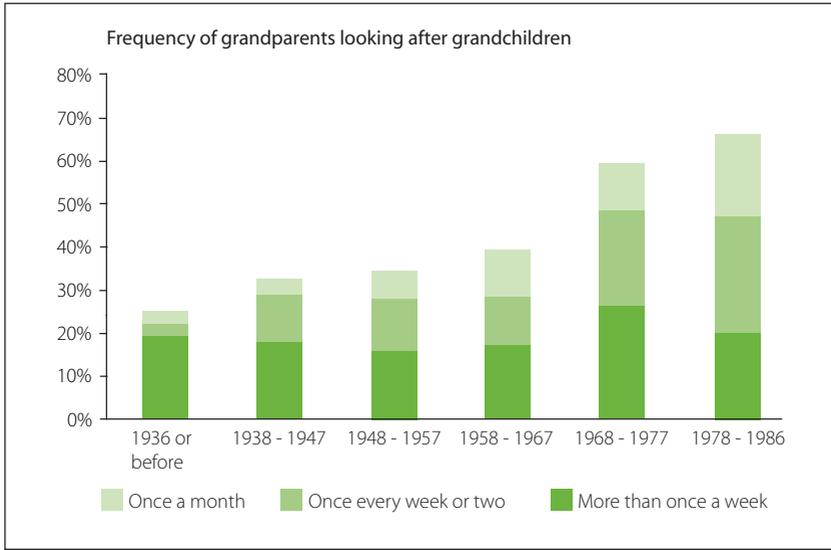
Source: Willmott & Nelson, 2003

It may not be surprising given the 'verticalisation' of the family that research has shown that more recent generations claim to have more contact with their grandchildren with around 50% saying they see them at least every couple of weeks. Evidence also shows that grandparents increasingly claim that they are a 'friend/confidant' to their grandchildren (Age Concern research), are a major source of child care support (DCSF, 2004) and that the family generally remains a major source of advice and support.

1.5 Changing household structure

Households demonstrate a greater variety of structures than in previous generations.

Source: Department of Communities and Local Government, 2009

Changing household structure
Households demonstrate greater variety of structures than in previous generations

Legend: One person households · Other multiperson households · Lone parent households · Cohabiting couple households · Married couple households
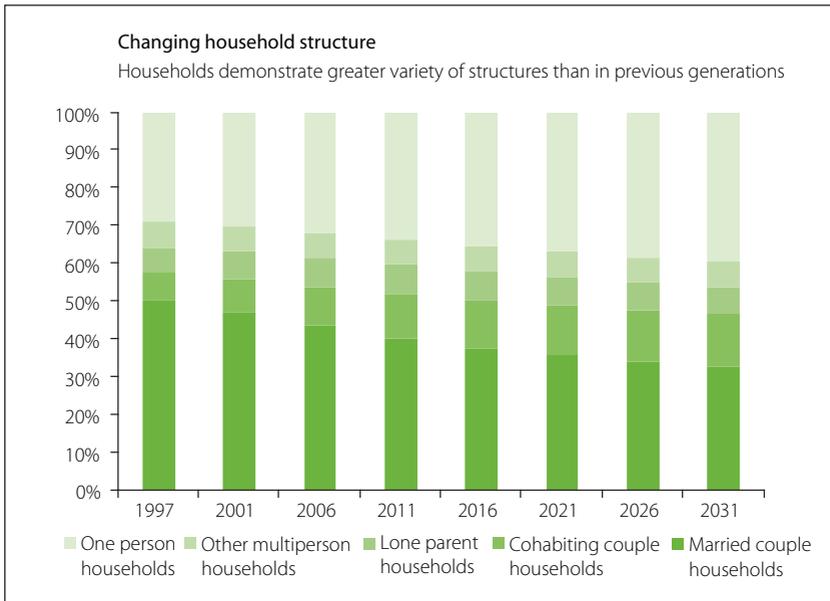
Although divorce rates have declined over the last few years and are now at their lowest level for 26 years, we still live in an era where divorce is an accepted part of life. The number of one person households is clearly the largest increase; however it is worth noting that while married couple households are due to decline, they remain a sizeable second largest feature of the UK population. Together with co-habiting couples – many of whom have children and resemble married couples – they are still expected to represent 49% households in 2020.

1.6 Changing gender roles

There are more women in paid employment than ever before.

Woman's Employment
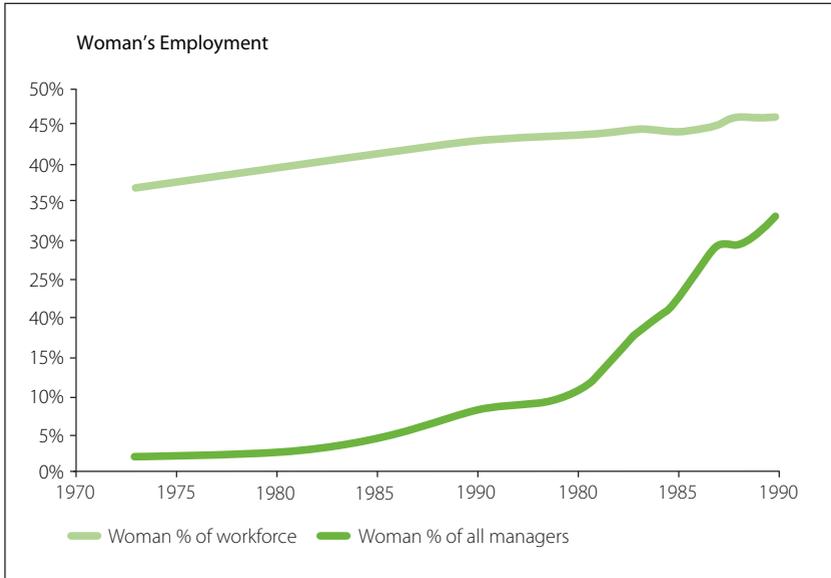
Source: National Management Salary Survey, 2006

Increasingly, women are not only engaged in the workforce but are also involved in more senior and responsible positions. It is not surprising therefore that roles and responsibilities over domestic activity are being renegotiated or that work-life balance (see next page) is an ever more important issue not least for public service demand and delivery, but for public service employers too.

1.7 Work-life balance

Men and women are increasingly concerned about their work-life balance, a trend indicated by the increased amount of time both are spending on childcare.

Work-life Balance
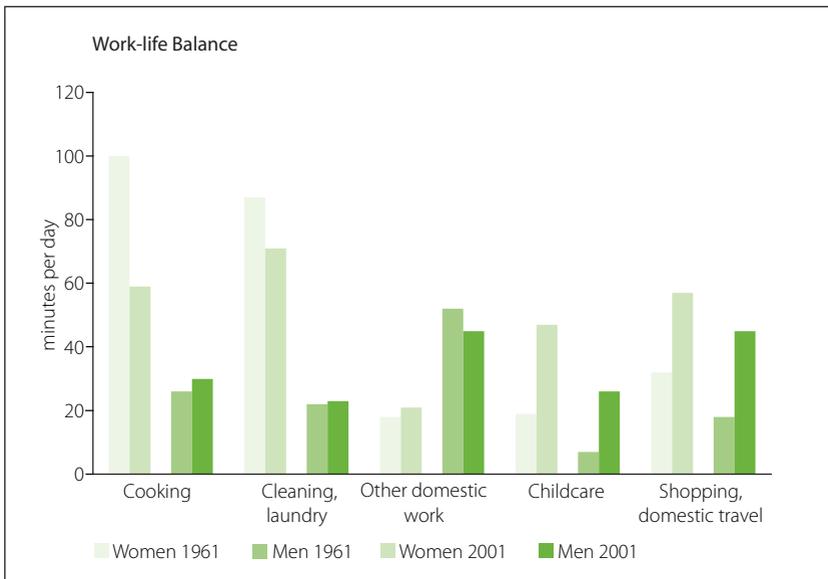
Source: Jonathan Gershuny/BBC/ESRC/ONS

As well as equalising their roles somewhat, men and women are both increasingly renegotiating their work lives so that they can spend more time engaging in activities like childcare, which have previously been neglected by working parents.

2.2 Globalisation

Globalisation, increasing interdependence between countries, is likely to remain a significant factor.

Annual percent growth
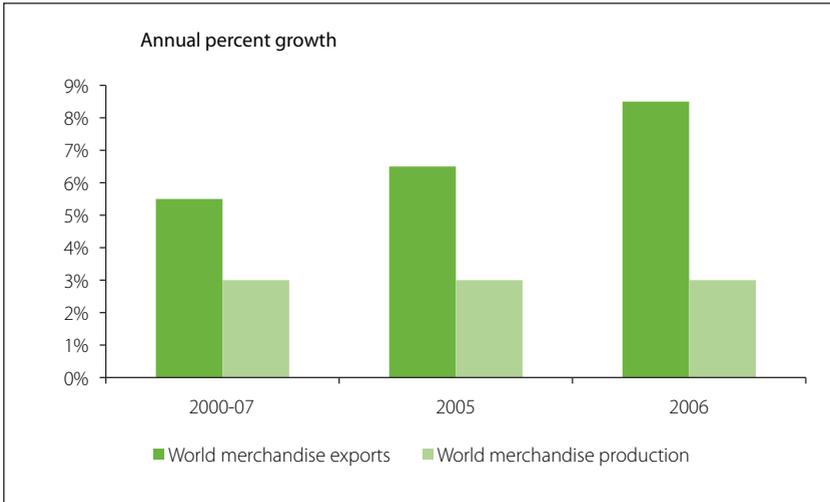
Source: World Trade Organisation, 2007

Despite the current economic troubles, it seems likely that globalisation will remain a prominent feature of the world economy. With exports (the trading of goods around the world) growing faster than global output, countries are ever more dependent on the global economy (as demonstrated by the co-ordinated slow down across the globe). Global interdependence was particularly strong in the years before the global recession and this seems likely to continue once global economies recover.

2.3 Strength and growth of economy

Economic downturn puts medium term strain on public resources.

	House prices (%pa)	Inflation (%pa)	GDP (%pa)	Unemployment (%)
2006	6.25	2.3	2.8	2.9
2007	11.14	2.3	3.0	2.7
2008	-0.85	3.6	0.7	2.8
2009	-15.59	1.5	-3.4	5.5
2010	**-4.42**	**1.3**	**0.3**	**6.5**
2011	**2.92**	**1.0**	**2.1**	**6.4**
2012	**8.15**	**1.5**	**3.0**	**5.8**

Source: Oxford Economics, 2009

This golden age for the UK economy has come to an abrupt halt. We look like having a severe recession – even if GDP starts to grow again in early 2010 it could be many years before consumer confidence and spending return to some markets. The severe downturn will create increased demand for a wide range of public services from benefits to housing. Public sector spending will inevitably come under pressure.

2.4 Increasing inequality

Despite efforts by government, income distribution remains remarkably unequal.

Share of total household income by quintile

Top Quintile (LH scale)   Bottom Quintile (RH scale)

Children living below 60% of median income in UK 1979 - 2006

Before Housing Costs   After Housing Costs
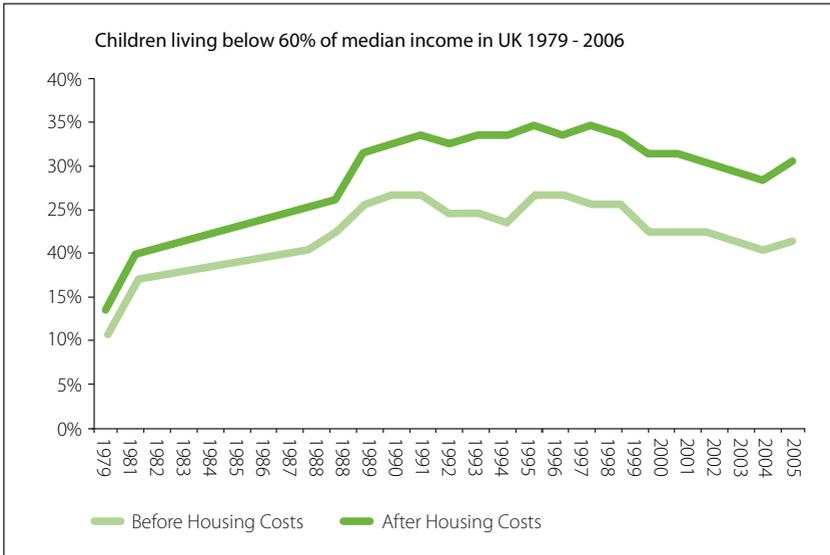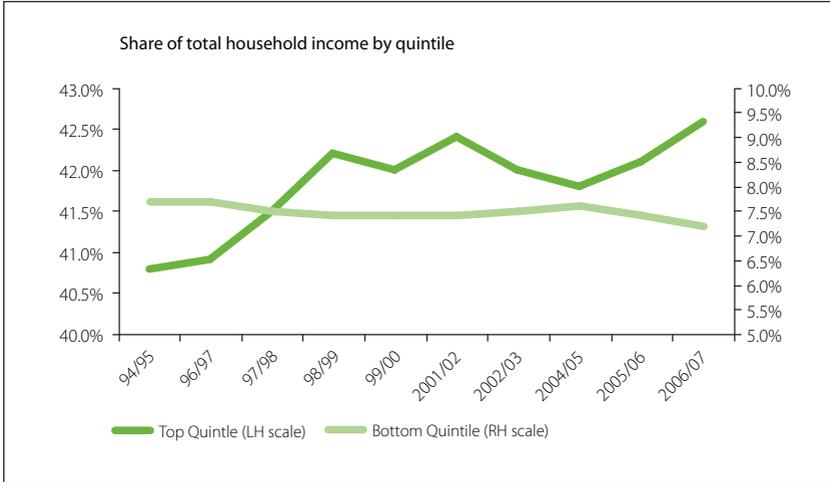
Source: Department for Work and Pensions, 2008

The stability of income distribution reflects a balancing of two competing forces. First, the strong growth in the overall economy and global competitive pressures

has served to polarise incomes. However, government fiscal policy has been strongly redistributive. Overall, this still leaves the lower income quintiles heavily dependent on state support. After reaching a peak in the mid-1990s child poverty has clearly declined. However, it is clear that early progress has begun to tail off, and in fact numbers in poverty have begun to rise once more.

2.5 Flexible working

Increasing uptake of 'flexi-time' is moderating the long hours Britons traditionally work.
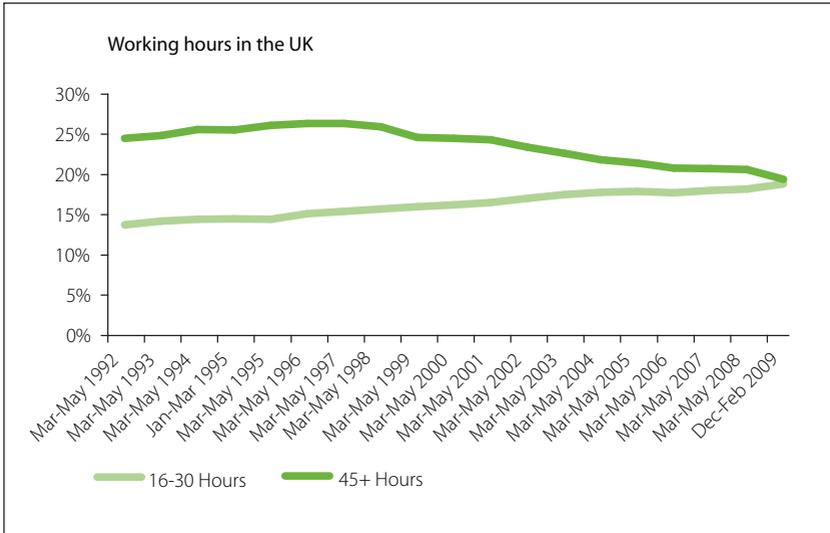
Source: Office for National Statistics, 2009

Though traditionally the British have worked longer hours than the rest of Europe, increased recognition of the need for work-life balance, as well as the social and demographic benefits of increased support for working parents has moderated this in recent years. It seems likely that the total number of hours worked will continue to decline somewhat despite the recent economic uncertainty. More importantly, increasing numbers of people will be able to adjust the hours they work to fit around family life.

2.6 Lifelong learning

Education and skills are increasingly important across the whole life course.
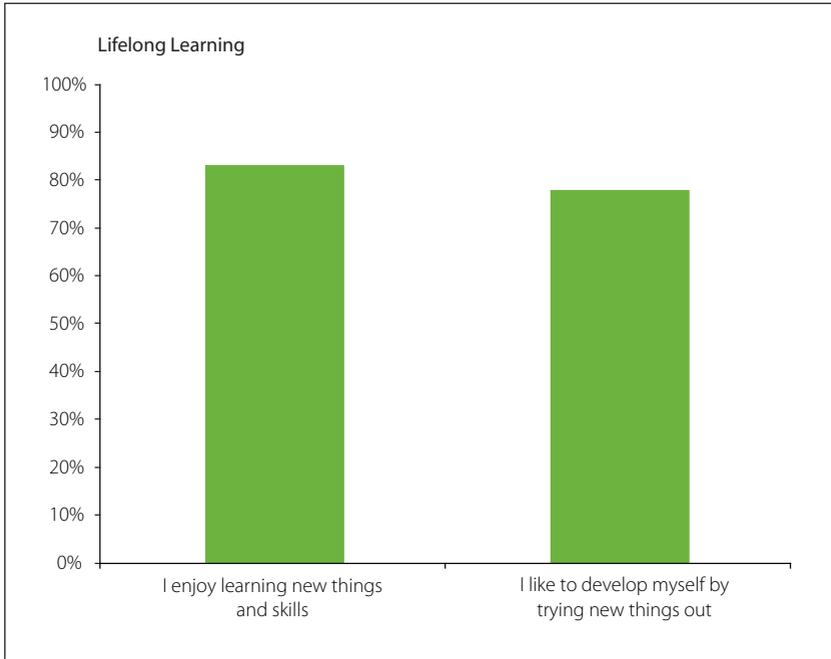
Lifelong Learning

Source: Ipsos-MORI, 2008

Lifelong learning has been a policy focus since the 1990s. It is the core of the Lisbon 2010 process. The aim is to make the whole of the EU 'a learning area'. This implies increased demand for education services throughout the life course. By 2020 we will therefore need a re-thinking of the purpose of education. Whilst the main thrust of education policy will still be aimed at giving children the best education possible, the importance of adult education and lifetime learning looks set to increase especially if a policy aim is to keep an ageing population in the workforce for longer.

As increasing importance is placed upon continued education, learners are likely to expect public services to support a wider variety of educational delivery; e-learning and home courses for instance, as well as evening classes and more traditional forms.

3. Cultural (value) trends

3.1 Increased health awareness

The rise in self-reported health problems represents greater health concern among the public.
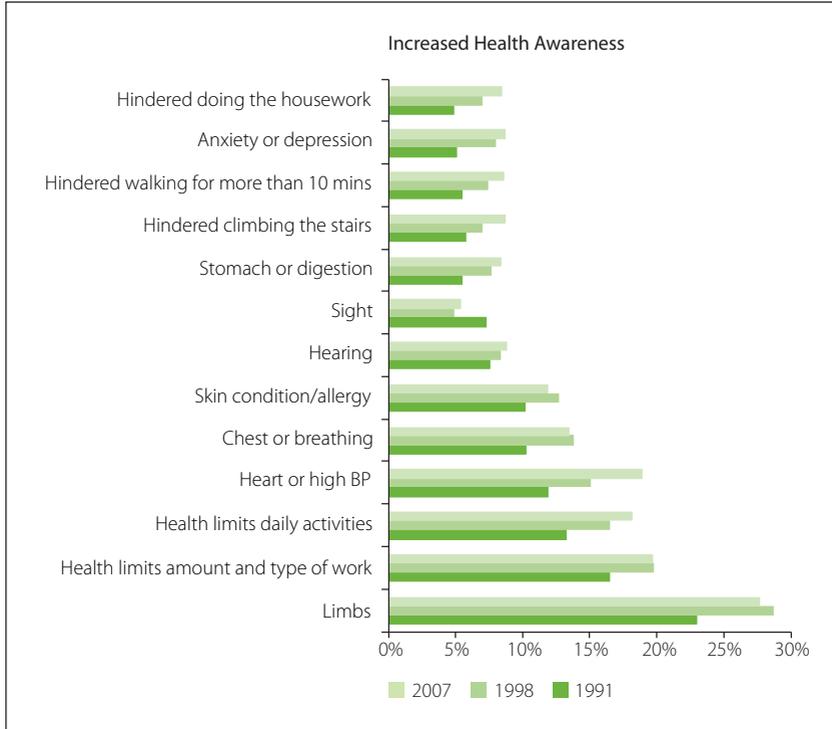
Source: British Household Panel Survey, 2008

Although on many measures people are healthier (although not on all – see next page on obesity) we appear to be increasingly health conscious or perhaps health worried. This data from the British Household Panel Survey shows trends in a range of self-reported health problems over time. Apart from those areas like sight, where there has been such advance in treatment that it has had a real and demonstrable impact, people feel less healthy. In part, of course, this represents better diagnosis too.

3.2 Mass chronic health conditions

Rising obesity is a serious issue for the British population.

Proportion of people considered obese (BMI)

Men Women
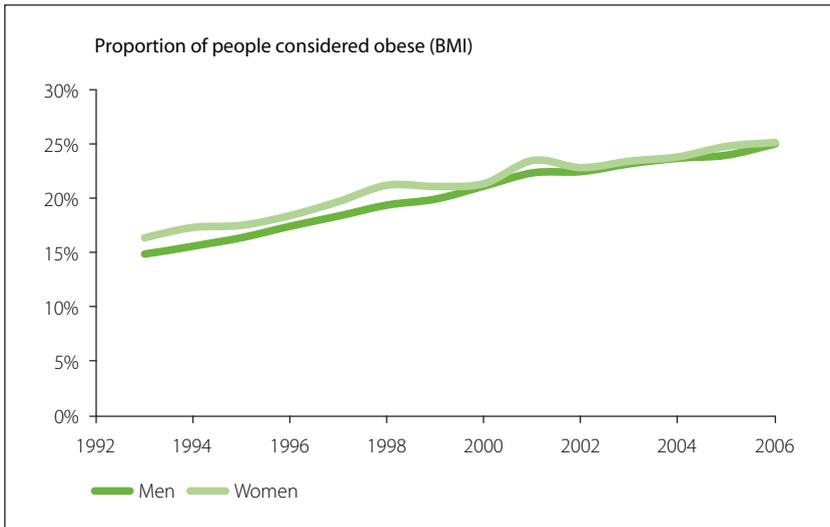
Source: NHS Information Centre, Health Survey for England, 2006

One specific health issue that is well recognised is the growing issue of weight. The number of people who are considered obese (BMI of 30 or more) has grown steadily for both sexes. However, it's worth noting that the number of people 'merely' overweight has remained pretty constant over the period. Although studies have shown that average calorific intake has reduced much attention has been placed on eating habits as a cause of this. Much more likely is the more sedentary lifestyle many people lead. Either way, given the known relationship between health and obesity, this represents a serious challenge to public services.

It must also be noted that, in women at least, this is a trend that is affected by income with those in the bottom quintiles being more likely to be overweight or obese.

3.3 Culture of Fear

Consumers find it hard to assess risk and often have exaggerated sense of decline.

British Crime Trends
Reported crime from British Crime Survey, 1981 = 100

"What do you think is the biggest issue facing Britain today?"
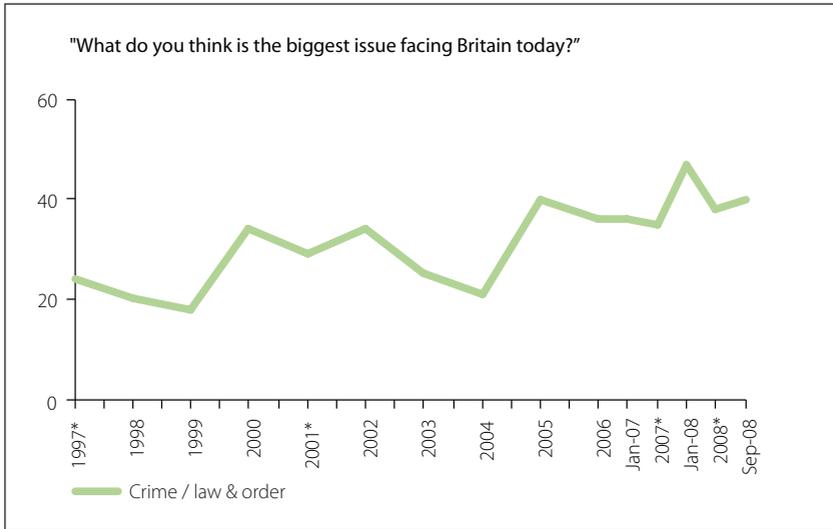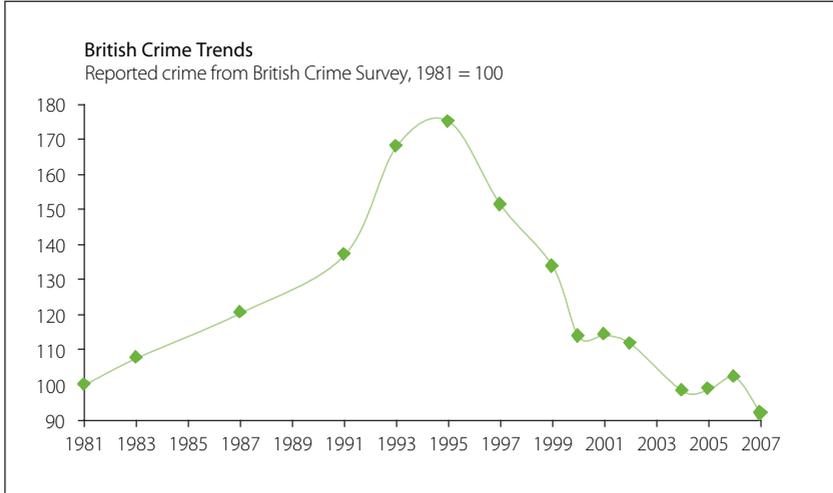
Source: Ipsos-MORI, British Crime Survey, 2008

The consumer/citizen has access to more sources of information – often not mediated by experts, so media stories about crime have an exaggerated effect.

Equally, consumers/citizens are less deferential towards traditional 'authority' sources of information (e.g. 'the government scientist') and in such an environment people can become irrationally fearful (e.g. MMR)... and cannot easily be persuaded otherwise by authority figures.

3.4 Myth of Decline
While it has not declined, public trust in some figures and institutions has historically always been low.

Trusted to tell the truth
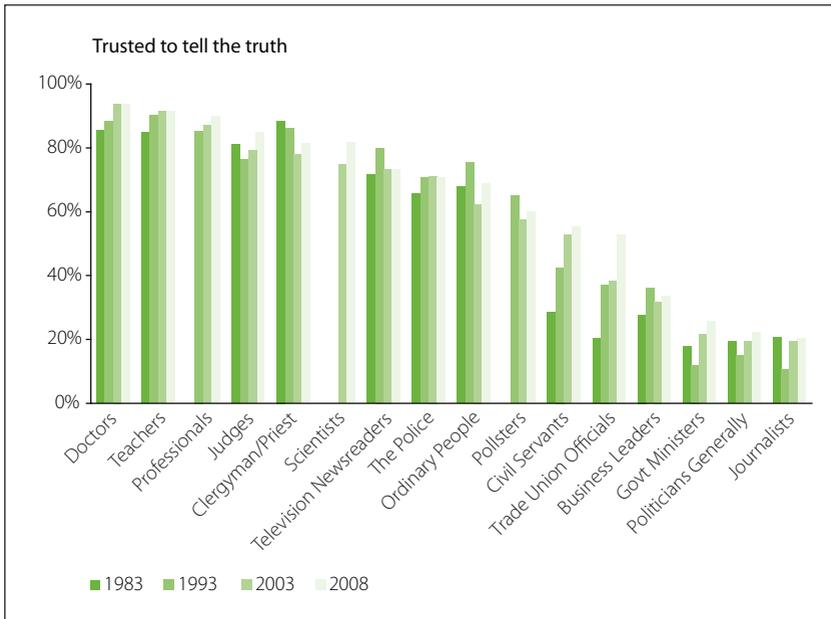
Source: Ipsos-MORI, 2008

This data shows the trends in trust in various professions and authority figures to 'tell the truth'. It challenges the common media perception that trust is 'at an all time low'. The reality is that trust in politicians, for example, is low and always has been.

Trust in other public servants – particularly public service professionals – is high, however, and increasing. This suggests the public servants themselves might be better placed to communicate with citizens than the politicians.

percentage of the population at the last count was 8.6%. As we can see the number identifying as Scottish has remained higher than this throughout the last decade.

3.6 Growth of regional, local, ethnic identities (2)
Surveys indicate that people associate with their local area as much or more than with their country.

How close people feel to their city or town

Category	Percentage
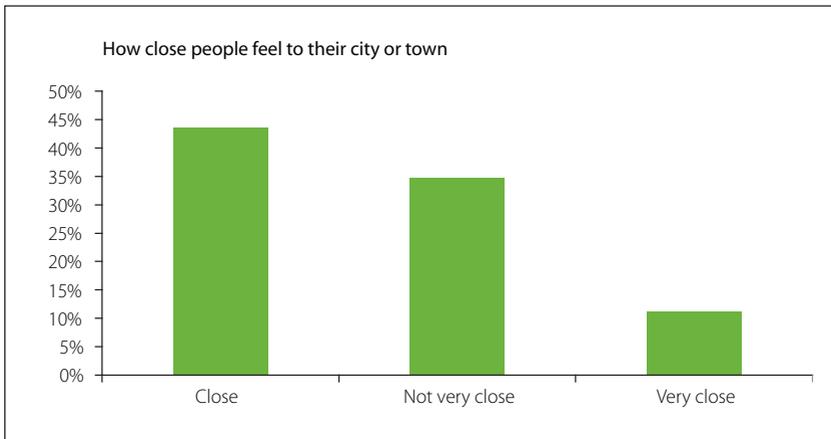
Source: British Social Attitudes Survey, 1995

More localised identities could play an important part in how people not only conceive themselves but also on how they want their public services delivered at point of use. It might also have important implications for those whom they are prepared to fund to access these services, for example, if people only agree to fund services for people they consider to be 'like them'.

3.7 Environmental concern

Environmentalism is embedded in our lives but economic concerns take priority.

"What do you think is the biggest issue facing Britain today?"
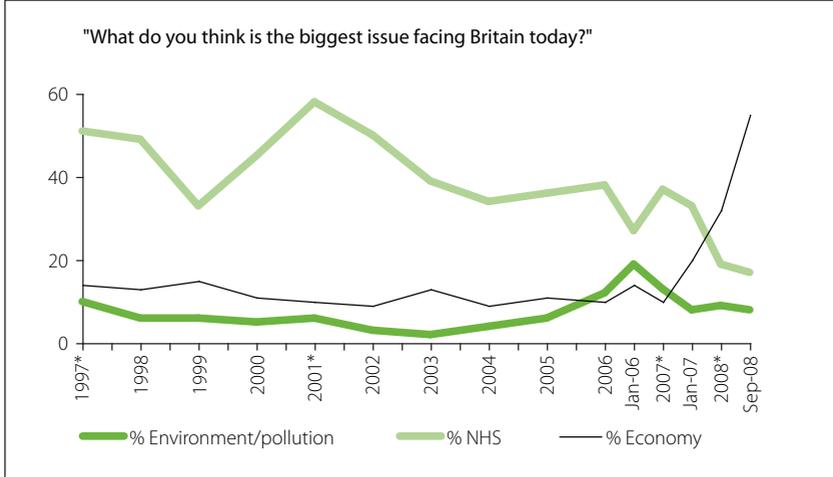
Source: Ipsos-MORI, 2009

This data illustrates how concern about the environment has given way to concerns about the economy as the recession has hit at the end of 2008.

Those feeling that the environment/pollution is one of the major issues facing the country have fallen to 8% from a recent pre-crunch peak of 17%. That said, it seems that aspects of environmental concern (climate change for example) are likely to remain in the citizen's consciousness given its longevity and support in political, academic and media circles. Concern about these aspects is likely to recover in the medium term.

3.8 Rising Service Expectations

Ranking the most important aspects of service by percentage
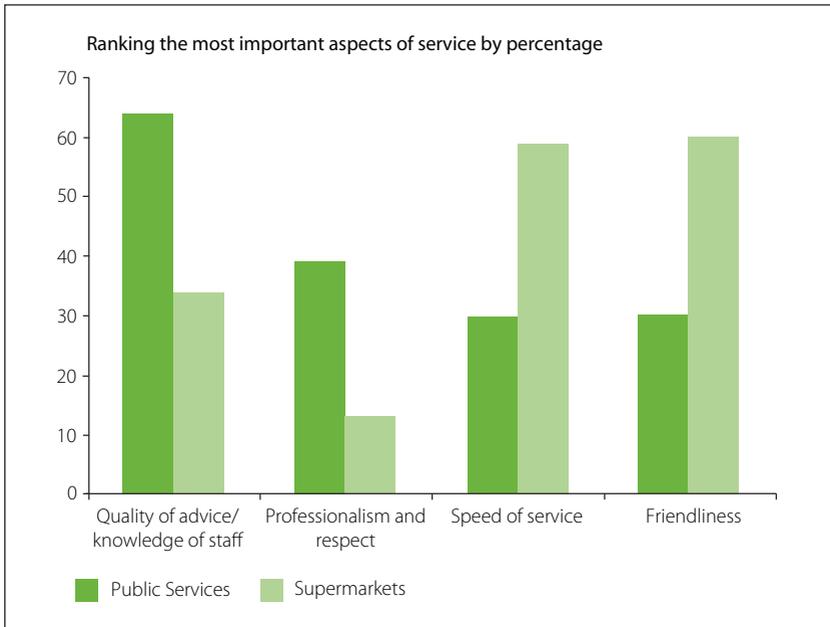
Source: Ipsos-MORI, 2008

The market dominance of supermarket brands is largely related to their service relationship with the customer. Their positioning has put the customer at ease when approaching them, confident that a problem will be serviced, quickly and amiably. While public services are perceived to be knowledgeable and professional, the service experience is not perceived, by comparison, to be an enjoyable one. As such there are important lessons to be learned from the success of supermarkets. The difference between the two types of service is made all the more stark by the pleasurable experience of the supermarket query. Public services will need to model their approach on the friendly success of the supermarket chain.

3.9 Choice in public services

The public require greater choice in public services, however there is a hierarchy of priorities on this issue.

Percentage of respondents saying it is absolutely essential to have this choice.
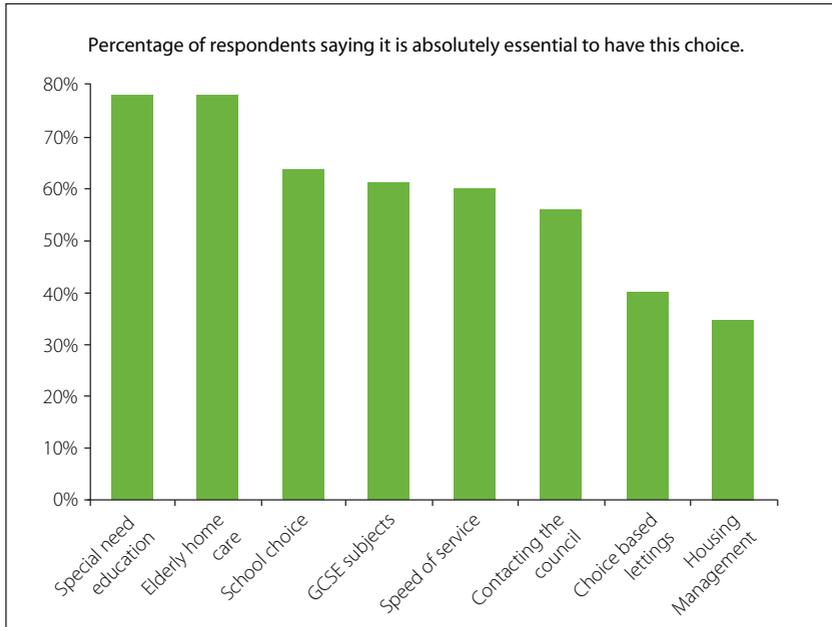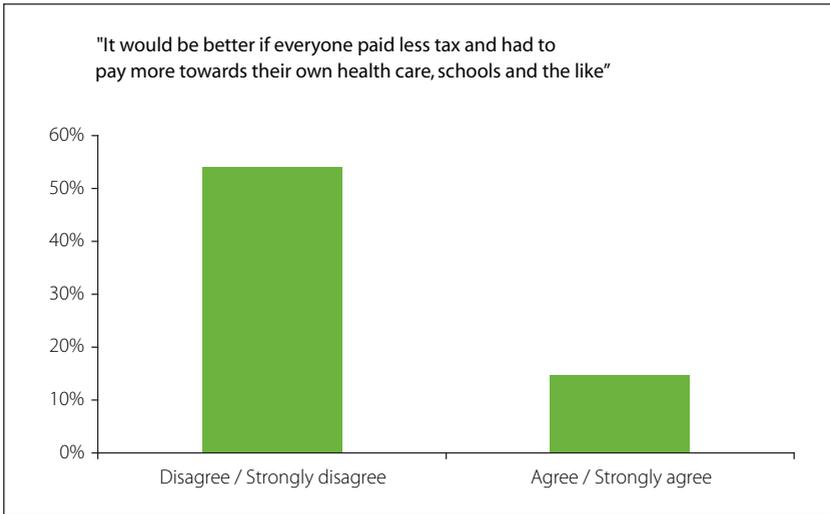

Source: Audit Commission and Ipsos-MORI, 2004

Studies indicate that choice in public services, as in many other walks of life, is something that is here to stay. The British public have come to expect it, and many believe that it is the best way of providing value for money. However, the public clearly thinks choice is more important in some areas – such as care for the elderly and special educational provision – than in others. They are also often unwilling to pay for extra choice in higher taxes and this will affect how this choice will be delivered in the future.

3.10 Willingness to pay for public services

Most people still think that public services are worth paying for.

"It would be better if everyone paid less tax and had to
pay more towards their own health care, schools and the like"

Source: British Social Attitudes Survey, 1997

While it is a target for criticism, most people still feel that higher taxation is a fair price
to pay for public services. It remains to be seen if this strong feature of British culture
will remain through a prolonged period of economic recession.

3.11 Value for Time

There has been an increased amount of leisure time activities between1961 and 2001.
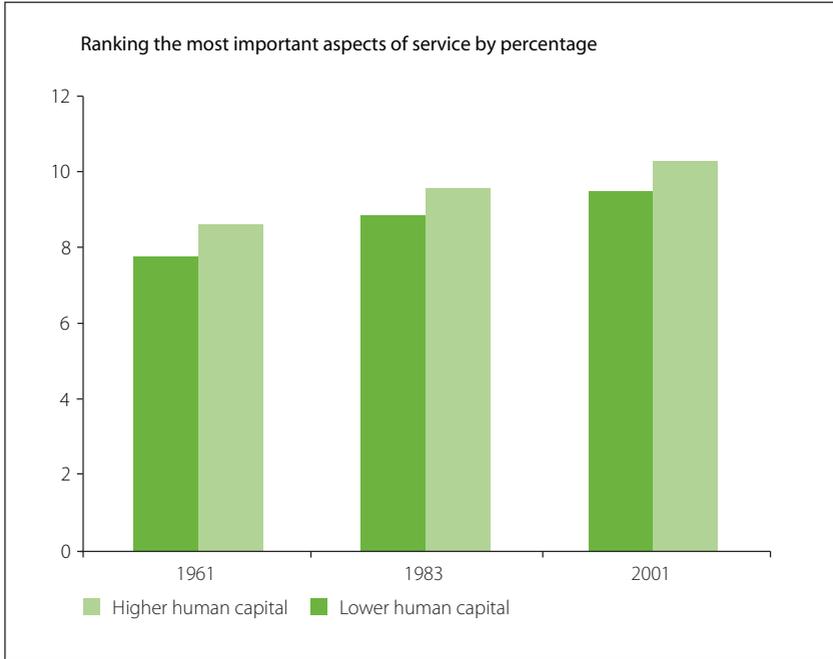
Source: Jonathan Gershuny, ISER Working Paper, 2005-09

Value for time is the notion that people want to cram more things in to a given unit of time. As time pressures have grown for many people, free time has become a more and more valuable commodity which people wish to get the most from, in terms of leisure activities.

3.12 Experience Economy

The public increasingly values a positive experience in their interaction with organisations.
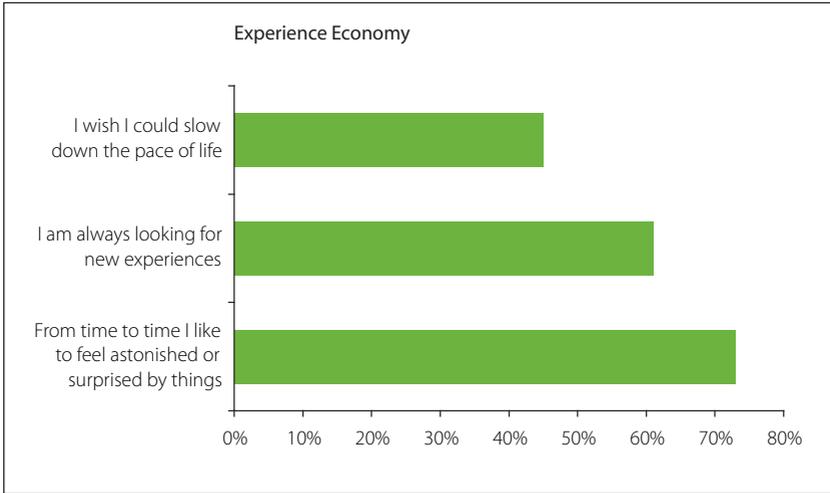

Source: Ipsos-MORI, 2008

The public have increasingly come to value a pleasant or unique experience in other aspects of life. This is sometimes referred to as the 'experience economy'. While public services will often not be able to provide unique experiences (and may be ill-advised to attempt to do so) public services should think about creating the pleasurable experience for the public.

4. Technological trends

4.1 i-Gov

Key public services are increasingly delivered online.
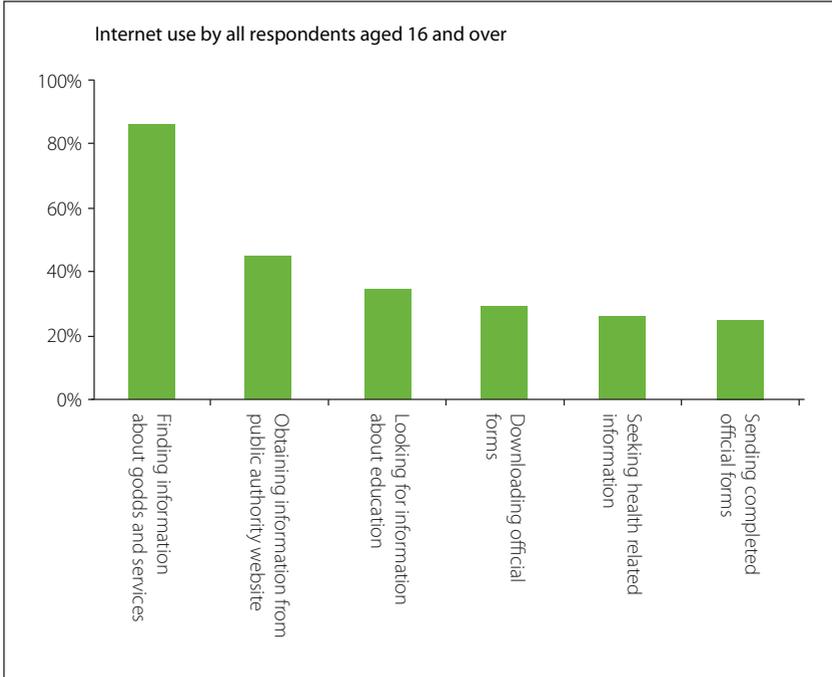
Source: ONS 2007, NHS Direct website www.nhsdirect.nhs.uk, Directgov website www.directgov.gov.uk

Accessing government and public services is already a prominent feature of many people's internet usage. NHS direct website received 30 million visits in 2007 up from 1.5 million in 2000. The site is currently accessed by an average 3 million users a month.

Gynaecology and skin conditions are two of the most popularly researched subjects – sensitive issues where people value anonymity as well as immediacy of medical advice.

A wide variety of public services are available via Directgov. British citizens can access information on taxes, benefits, and education services as well as applying for provisional driving licences and downloading probate forms.

4.2 Rise of broadband Britain

Technological advances have been embraced by a majority of the population.

**Broadband penetration**
Percent of homes
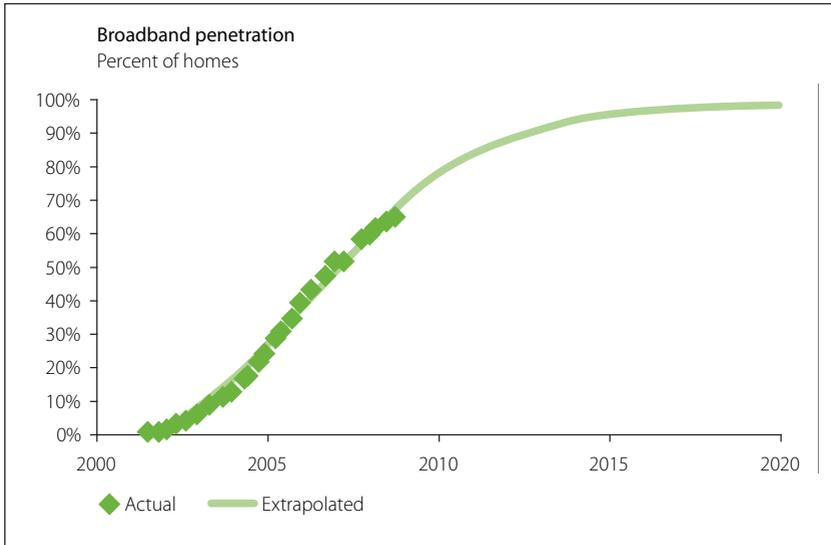
Source: Ofcom / Trajectory, 2008

Broadband continues to rollout across Britain as consumers see the very real benefits of it and ever faster speeds will allow greater use of multi-media applications. Data from Ipsos-MORI's Real Trends service that monitors changing consumer attitudes and behaviours show that people are becoming more, rather than less, enamoured with new technology. They increasingly want and are happy with using technology (and online service in particular) for a range of services

4.3 Digital divide

Despite some progress access to services like broadband remains patchy across UK.

Internet Access by Educational attainment
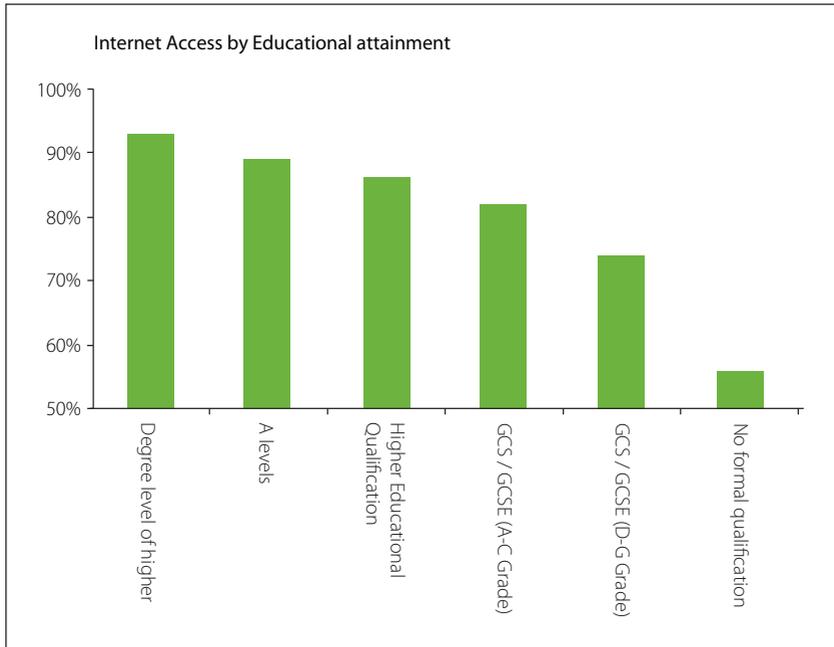
Source: Office for National Statistics, 2008

People with higher educational attainment are more likely to have access to the internet. Yet these are not the main users of public services and this remains a challenge for the future of online delivery. This is problematic as access to the internet has recognisably improved the ability of Europeans from all backgrounds to access information and services. There are also dramatic differentials in internet usage between the oldest and youngest and this might be an issue that will hamper attempts to modify public service delivery for more than the next decade. In 2008 70% of those aged 65 and over had never used the internet, compared to 33% of 45 - 54 year olds, and less than 1% of 16 - 24 year olds. This is a trend that will moderate itself to a degree as the age cohort progresses. Nonetheless, it is one that will be still be in force in 2020 and should be considered when taking decisions in this area.

4.4 Social networking

Online social networks are an increasingly important way in which people engage with each other.

Proportion of Parents and children who have a profile on
social neworking site 2007
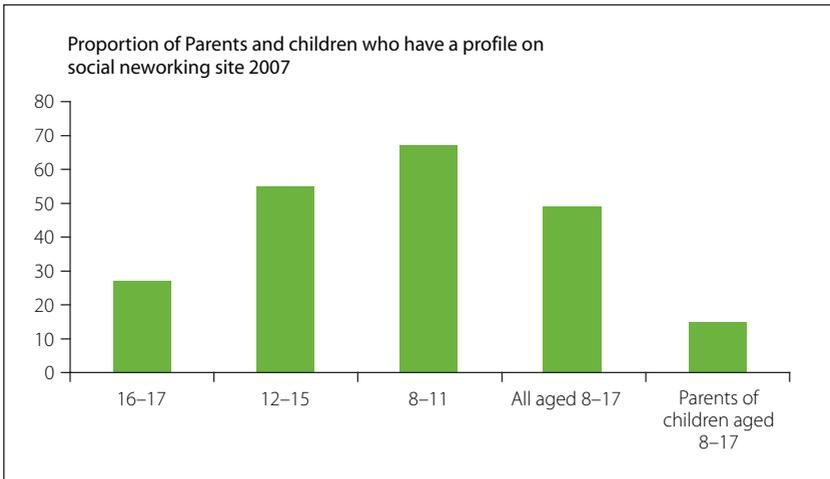
A large number of British children, and even a significant percentage of British parents, currently engage with others to some degree via social networking sites. These figures can only be expected to rise as technologies improve and their popularity spreads. This is bound to impact on the way that organisations, groups and public bodies try to communicate with the public, as well as how the public communicates with and organises itself.

4.5 Homeworking and teleworking

British workers are increasingly involved in teleworking.


Trends in teleworking in the UK
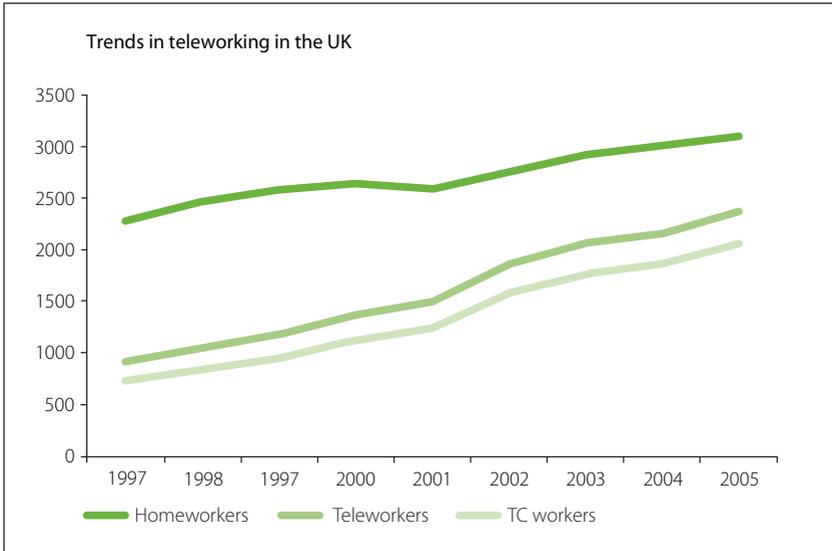
Source: Office for National Statistics, Labour Force Survey, 2006

In the last decade there has been a significant rise in the numbers of homeworkers, teleworkers (those using a phone and computer) and TC workers (those for whom a phone and computer is essential for their job) working in Britain (see graph above). Developments in the job market and technology – both penetration and capabilities – together with work-life balance issues, mean this is a trend that seems likely to continue.

4.6 Mobile revolution

Mobile technology uptake has dramatically increased over the last few years.
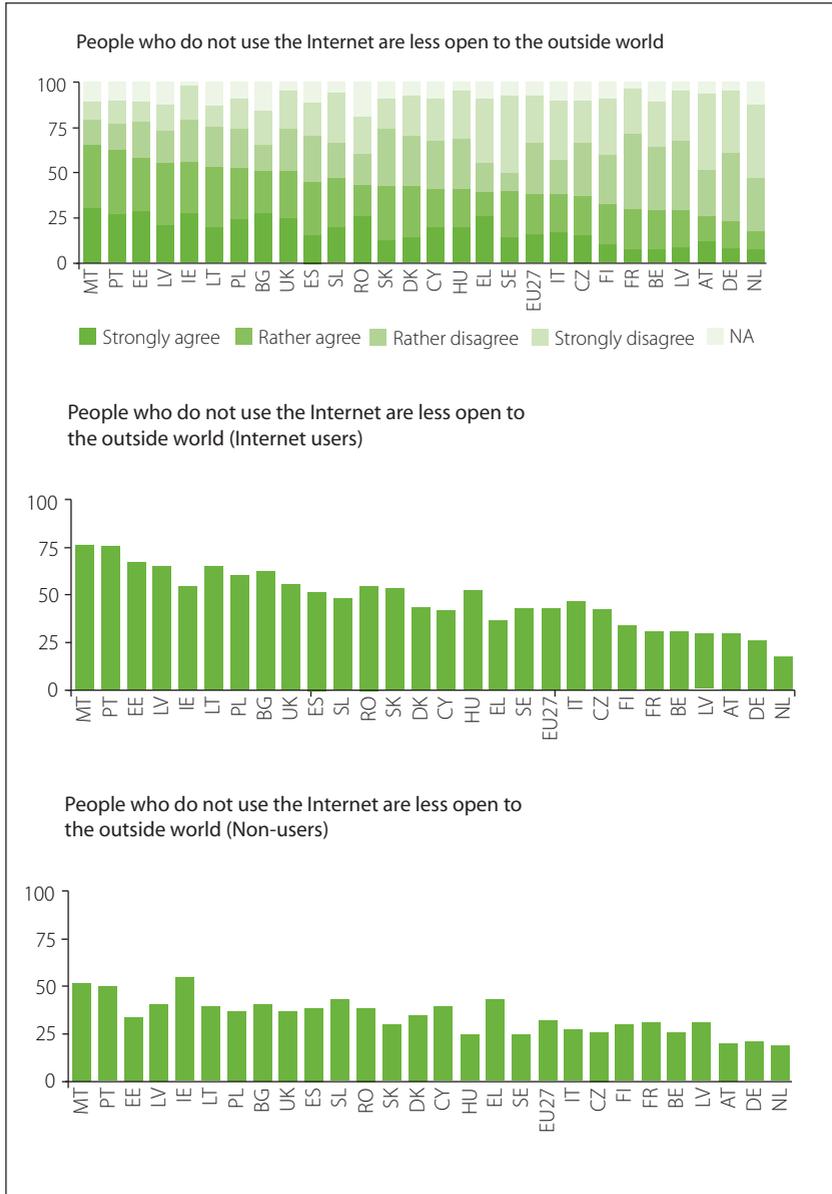

Mobile Technology Uptake
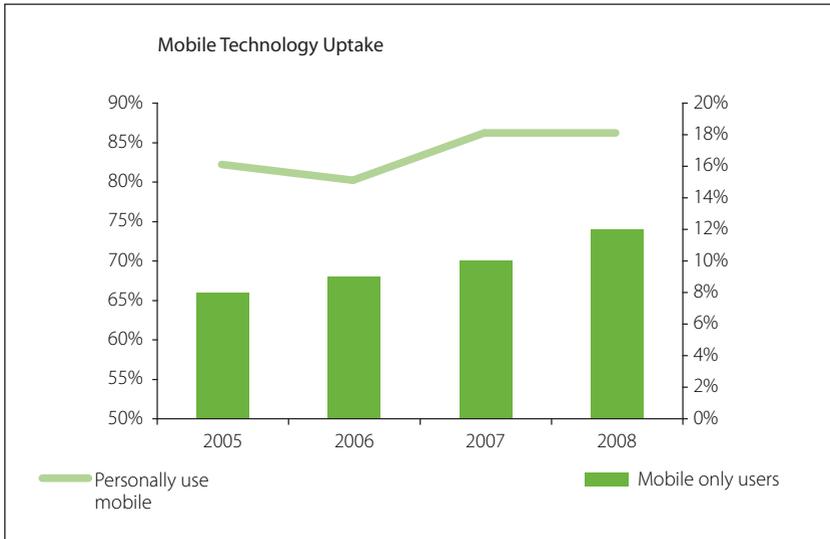
Source: Ofcom, 2009

Mobile technology in Britain (as around the world) has seen a dramatic uptake. However, it is now reaching saturation point. Interestingly, young users in particular have increasingly abandoned the fixed line telephone. This will have important implications for public services, as delivery will have to adapt to the new technological opportunities and platforms. In particular, there may be an increased requirement for more mobile and immediate access and solutions. At the same time there will be a need to take account of those who will never want to use technology in such ways (see digital divide earlier).

4.7 i-Communities

The internet does not stop people from engaging with the outside world.

People who do not use the Internet are less open to the outside world

■ Strongly agree ■ Rather agree ■ Rather disagree ■ Strongly disagree ■ NA

People who do not use the Internet are less open to the outside world (Internet users)

People who do not use the Internet are less open to the outside world (Non-users)

Source: Eurobarometer, 2008

People who engage with virtual communities are not isolated from the outside world; rather they often use these virtual networks to facilitate real life connections and communication with people whom they would otherwise be quite incapable of contacting. iCommunities have facilitated a radical renegotiation of the concept of the 'local' this will have profound impacts on the way that 'local' public services deliver to their constituents.

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