

LG2040 – The State of Things to Come

Phase 1: Forces Shaping Local Government

A report to the Local Government Association by School of International Futures (SOIF) and Futurall

Caroline Star, Paul Graham Raven, Iman Bashir, Andrew Curry (SOIF)
Finn Strivens (Futurall)

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Foreword

Cllr Richard Clewer, Chair of the LGA Public Service Reform and Innovation Committee

Local government has always been at its best when it looks beyond the immediate and plans for the long term. But in recent years, local authorities have had very little space to do that. Rising demand, constrained finances, and increasing complexity have required intense focus on the here and now.

That is precisely why this report matters.

This report, commissioned by the Local Government Association's (LGA) Public Service Reform and Innovation Committee, creates the space to step back and ask a bigger question: not just how we manage today's pressures, but how we prepare for the world our residents will be living in by 2040. This means thinking about the wider system of place leadership to shape outcomes locally.

This first phase has shown very clearly that the future of local government will not be shaped by single issues in isolation. It will be shaped by a set of interconnected forces that together form a new operating environment for local authorities. The work identifies five critical themes that define that future landscape.

First, **A new deal for local places**. The current system – where demand for statutory services continues to grow while flexibility and funding remain constrained – is not sustainable. Without change, we risk being locked into a cycle of crisis management. This theme challenges us to think anew about the relationship between central and local government, about funding, and about what – and how – we expect local authorities to deliver.

Second, **Community value and wealth**. Too many places still experience economic models that extract value, rather than building it locally. The result is widening inequality, weaker local economies, and increasing pressure on local authorities as the provider of last resort. This work reinforces the importance of place-based leadership: using the instruments we have to hand – from planning to procurement – to create stronger, more resilient local economies.

Third, **Resilient localities**. Climate pressures, infrastructure fragility, and global shocks are no longer distant risks, but operational realities. Councils often feel their impact first

and most acutely. The question is no longer whether disruption will happen, but how well prepared we are to absorb and respond to it, working with communities and partners to strengthen resilience before crisis hits.

Fourth, **Trust and cohesion**. Trust in institutions is changing, and the nature of public debate is evolving rapidly. Local authorities are operating in a more fragmented, more vocal and more complex democratic landscape. That presents challenges – but also an opportunity. If we get this right, local government can lead by building trust through openness, authenticity and meaningful engagement with residents and communities.

And finally, **Connected spaces**. Strong communities do not happen by accident – they are built on relationships, shared spaces, and local connections. Yet these are often the very things that have been eroded over time. This work is a powerful reminder that social infrastructure is not a ‘nice to have’, but a fundamental part of prevention, reducing pressure on services and strengthening wellbeing in the long term.

Taken together, the themes paint a clear picture: the future of local government will be defined by how well we navigate complexity, work across systems, and lead in place. But this work does not stop at identifying challenges. A distinctive strength of the LG2040 approach is its focus on what comes next – on what this report describes as *hopeful futures*.

In a sector that is often rightly focused on risk and constraint, it would be easy to let LG2040 become a catalogue of pressures. Instead, it deliberately asks: where do we have influence, and what kind of future do we want to help create?

Hopeful futures are not about wishful thinking or ignoring the realities we face. They are about being honest about those realities, while still identifying where change is possible, where innovation can happen, and where councils can make the biggest difference. They reconnect long-term insight with practical action, and give the sector permission to think not only about what we must manage, but what we want to achieve.

That is an important shift, because if local government is to thrive in 2040, it will not be enough simply to adapt. We will need to lead: to shape places, build partnerships, support communities, and continue to deliver the outcomes that matter most to residents and places in which they live.

I want to thank everyone who has contributed to this commissioned work: School of International Futures and Futurall.

This report is not the end of the conversation – it is the starting point for it. As we move into the next phases of LG2040, the challenge for all of us in the sector is clear: to take

these insights, to engage widely with them, and to use them to shape a future for local government that is resilient, trusted and ambitious for the communities we serve.

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Who are we

About the LGA

This report was commissioned by the Local Government Association (LGA) as part of LG Horizons, a programme that helps local authorities think, plan and act for the future. The LGA is the national membership body for local authorities in England and Wales. It supports them by championing their voice, influencing national policy, securing the powers and funding they need, and connecting local and central government. Working closely with the project team, the LGA provided input, insight and constructive challenge throughout.

About SOIF

School of International Futures (SOIF) is a global non-profit collective that makes futures thinking powerful and practical. SOIF uses foresight approaches to help organisations understand emerging trends, navigate uncertainty, and shape future strategy.

SOIF works across government, non-profit, philanthropy, and commercial sectors, combining a flexible range of methods tailored to client needs. Its approach typically follows a four-stage process—scoping, ordering, investigating, and implementing—to deliver practical, future-facing insights. The organisation has extensive experience in linking strategic foresight to policy and decision-making, including long-term projects aimed at improving how public policy is developed and applied.

About Futurall

Futurall is a futures design studio specialising in participatory research and creative engagement with communities. It brings expertise in designing futures probes, workshops, and engagement artefacts that make complex ideas accessible and engaging.

Combining creative storytelling with values-led approaches, Futurall supports collective reimagining for systems change—challenging dominant narratives and expanding perspectives on what is possible. Its work spans partnerships with government, local authorities, and not-for-profit organisations, designing experiences that connect citizens with decision-makers and ensure insights from engagement meaningfully inform strategy, policy, and decision-making.

Acknowledgements

This report was prepared by the School of International Futures (SOIF), with Studio Futurall, for the Local Government Association (LGA), as part of its commissioned Phase 1 work for the LG2040 programme.

LG2040 Phase 1 was a genuinely collaborative endeavour, and the thinking in this report was shaped by many people across local government and beyond. We are grateful to the LGA's Public Service Reform and Innovation Committee for commissioning this work, and to the colleagues and elected members who helped refine the approach, test emerging insights, and bring the vision of these hopeful futures to life.

We are also grateful to councils across the country, working in a wide range of contexts, as well as to combined and strategic authorities and partner organisations. Their officers, members and experts generously contributed their time and insight across the three stages of this work: driver prioritisation, landscape testing, and the hopeful futures workshops. We particularly thank the young people and community participants who brought their perspectives to the hopeful futures workshops.

We have chosen to acknowledge participating organisations rather than name individuals.

Local authorities

London Borough of Barnet	Northumberland County Council
Barnsley Metropolitan Borough Council	Oxfordshire County Council
Bath and North East Somerset Council	Reading Borough Council
Birmingham City Council	Redcar and Cleveland Borough Council
City of Bradford Metropolitan District Council	Richmond Council
Braintree District Council	Somerset Council
Bristol City Council	South Gloucestershire Council
Buckinghamshire Council	South Hams District Council
Cheltenham Borough Council	London Borough of Southwark
Cornwall Council	St Helens Borough Council
Coventry City Council	Suffolk County Council

Cumberland Council	Tameside Metropolitan Borough Council
Dorset Council	Telford and Wrekin Council
Durham County Council	Wakefield Council
East Suffolk Council	Walsall Council
Essex County Council	London Borough of Waltham Forest
London Borough of Hackney	Warrington Borough Council
London Borough of Hammersmith and Fulham	Warwickshire County Council
Hertfordshire County Council	Watford Borough Council
Kent County Council	West Sussex County Council
Royal Borough of Kingston upon Thames	Westminster City Council
Lancaster City Council	Westmorland and Furness Council
Leeds City Council	Wiltshire Council
Leicester City Council	Woking Borough Council
Lewes District Council	City of Wolverhampton Council
London Borough of Lewisham	Worcester City Council
Luton Council	Wyre Forest District Council
Norfolk County Council	Eastbourne Borough Council

Combined and strategic authorities

Cambridgeshire and Peterborough Combined Authority	West Midlands Combined Authority
Greater Manchester Combined Authority	

Partner, sector and research organisations

Centre for Ageing Better	LGIU
Centre for Long Term Resilience	Local Partnerships
Democratic Society	Nesta
Demos	New Local
Government Office for Science	NHS Alliance

The Health Foundation	People Powered Surrey
INLOGOV, University of Birmingham	Public Digital
Joseph Rowntree Foundation	Re:State
The King's Fund	

Executive summary

Introduction

LG2040 is a project that creates space to think beyond immediate pressures and focus on the future of local government. It is based on a simple idea: the challenges facing local government are not new, but they are becoming more complex, more connected, and moving faster.

As this complexity increases, its impact is felt across the whole system. It shapes how organisations operate, how services are delivered, and how democratic leaders work within that system – navigating uncertainty, balancing competing priorities, and making choices that reflect the needs and aspirations of their communities.

At the same time, these pressures are unfolding alongside significant changes in how local government itself is organised. There is a shift towards unitary authorities, a growing role for regional governance, and a stronger focus on neighbourhood-level work. Together, these shifts are reshaping how decisions are made and how places are understood. Power is both concentrating at regional level and spreading locally, where communities expect more responsive and tailored services.

About 2040

LG2040 responds to feedback from the LGA's members who have asked for strong leadership in navigating this changing environment. It recognises the central role of place leaders in setting direction, shaping local priorities and building trust with communities, alongside the work of practitioners and wider system partners. It brings together evidence, insight and experience to support a deeper understanding of long-term change.

The focus on 2040 is deliberate. It is far enough ahead to challenge current assumptions, but close enough to be shaped by decisions made today. The aim is not to predict the future, but to highlight the choices that will shape it.

At its heart, LG2040 encourages a shift in approach. Instead of reacting to change, it focuses on how change can be shaped – through more preventative, relationship-based and place-focused ways of working. This includes the role of place leaders in convening partners, representing local voices and making strategic choices about how places grow and change.

This work supports the LGA's role to champion and strengthen local government. It contributes to sector-led improvement and helps build a stronger understanding of the

long-term forces shaping places. LG2040 aims to support the sector with the insight needed to shape the future, not just respond to it.

Why 2040?

Local government is facing major and fast-moving change. Population trends, new technology, climate pressures, changes in devolution, and shifting public expectations are all happening at once. These changes often reinforce each other, making them harder to predict and manage.

At the same time, the structure of local government is becoming more flexible. Moves towards unitary councils are changing scale and capability. Devolution is strengthening regional leadership, while neighbourhoods are becoming more important for resilience, participation and prevention. This creates a need to connect action across local, regional and national levels. It also requires local government to operate effectively across these levels, balancing their community leadership role with wider system leadership responsibilities.

This report – Forces Shaping Local Government – steps back to look at the whole system. It asks: what is already changing, and how might these changes shape local government by 2040?

Based on research and engagement across the sector, the report identifies key drivers of change over the next 15 years. These sit within a complex system shaped not just by external pressures, but by changing relationships between place, power and people.

To make this easier to understand, the report groups these into five connected shifts. Each reflects current pressures and the different directions the future could take.

Five interconnected shifts

Each of these shifts has implications not only for organisations and systems, but for leaders and communities within them – shaping direction, building partnerships and working with communities to navigate change.

- **From constrained systems to a new deal for local places:** Rising demand and financial pressure could lead to more reactive services. Alternatively, they could drive a new settlement with more local control, stronger focus on prevention, and greater social value.
- **From models that extract value to community wealth:** In many areas, wealth flows out faster than it is retained. The future may depend on whether new approaches to investment, procurement and partnerships can keep more value within local places.

- **From fragility to resilient localities:** Climate and resource pressures are testing local systems. The key question is whether resilience is reactive, or becomes a shared, long-term capability across communities and institutions.
- **From fragmentation to trust and cohesion:** Trust in institutions is changing. The sector may need to work harder to build trust in more complex and diverse environments, through openness, participation and stronger local relationships.
- **From disconnection to connected spaces:** Declining civic spaces are affecting how people connect and feel supported. The future may depend on renewing local spaces, relationships and shared assets that help communities thrive.

These shifts are not predictions. They describe real tensions that already exist. Each could develop in different ways depending on the choices made. Together, they show that local government is managing several transitions at once.

A key insight is that while people's needs change slowly, how those needs are met must evolve. This means rethinking how the system works across different levels, and recognising the combined role of political leadership, organisational capability and community partnership in shaping outcomes.

Implications for practice

This report is designed to support both practical thinking and reflection. It does not offer a single answer. Instead, it brings together ideas to help the sector think more clearly about possible futures. In practice, this could involve:

- recognising where services are becoming more reactive
- spotting early signs of change, both positive and negative
- testing whether current strategies will work in different futures
- making small changes now to create more options later
- creating space to think beyond immediate pressures
- strengthening the role of leaders as convenors of local partners and communities
- supporting leaders to work effectively across neighbourhood, organisational and regional levels

The report also includes a set of 'hopeful futures' vignettes. These vignettes are short, people-focused stories that show how these changes might be experienced in everyday life. They are not predictions, but tools to help make the future easier to understand and discuss.

Each hopeful future vignette has been illustrated to visually bring that future to life. These images help to dramatise key elements of each vignette, make each one more memorable through visual association, and can be used as a communication tool to support discussions of each future in local government settings.

All illustrations are by artist Dominique Vassie.



An invitation

The future of local government will not be shaped by one single trend. It will emerge from how different forces interact – and from the choices made in response. This report is an invitation to the sector – and its partners – to engage with that future more actively: not to predict it, but to shape it with greater clarity, purpose and confidence.

Questions for reflection

Futures work can be understood as the art of perceiving the present anew. The act of reflecting on the future together helps us build vision, resilience and empowerment in an uncertain world. To support this process, we have developed a set of reflective questions to use with partners and colleagues. These are not intended to introduce unfamiliar challenges; rather, they focus on issues that are likely already being engaged with. Their purpose is to deepen understanding, accelerate insight, and enable more meaningful progress collectively.

Questions for political leadership

These questions are designed to support place-based political leadership, focusing on the strategic choices and responsibilities that sit with elected members.

On vision and hard choices

- Is there a clear and shared long-term direction for the place, or is activity primarily driven by immediate pressures and decisions as they arise?
- In the context of financial constraint, which priorities are essential to protect for the future of the place – and where is there willingness to make difficult choices and step back?

On our role and our communities

- How can political leadership most effectively shape a relationship with communities that builds shared responsibility for the future of the place?
- To what extent is the current approach enabling communities to lead, act, and sustain change themselves – and where might a shift in leadership style or priorities unlock greater local capacity?

On political risk and the long term

- Many preventative approaches deliver benefits beyond electoral cycles. To what extent is there willingness to champion these approaches despite delayed returns?
- How can the case for long-term investment and prevention be articulated clearly and confidently to residents, businesses and other stakeholders?

Questions to explore the landscape

These questions are designed to support place-based executive leadership, focusing on the strategic choices, behaviours, and relationships needed to shape resilient, future-ready places.

For strategic planning

- To what extent is the organisation planning for a continuation of today's system, versus preparing for fundamentally different future conditions?
- What is preventing existing ideas from being progressed, and where are barriers structural rather than financial?
- How might current spending priorities change if they were shaped by the needs and expectations of communities in 2040, rather than today's pressures alone?
- Where is the organisation still holding on to ways of working that may no longer be sustainable – and what would it take to step back in a way that enables others to step forward effectively?

For exploring roles and relationships

- There is clear intent to do less directly and enable others to do more. Where has this been achieved in practice, and what has limited further progress or confidence to scale it?
- How can support be more consistently rooted in trusted people, networks, and places – and what shifts in commissioning, power, or resource would this require?
- What would it take to evolve the relationship with residents towards one built on trust, choice, and mutual value, alongside meeting needs effectively?

For anticipating risks and building resilience

- Many areas are working to identify need earlier and prevent escalation. How well is this adapting to changing patterns of demand – and what might strengthen the ability to anticipate and act ahead of future pressures?
- How might more joined-up approaches around people's lives evolve over time – and what conditions would make this easier to sustain?
- How might early signals of emerging pressures be identified, shared, and acted on – and what would support a more proactive response?
- Where might critical systems or services be most exposed to future strain or disruption – and how can resilience be strengthened in advance?

Questions to explore themes

The themes and vignettes presented in this report describe potential futures rather than predictions, offering prompts to think differently about today's decisions. The questions below are designed to support exploration of each theme.

A new deal for local places

- A growing share of resources is being directed towards statutory responsibilities. How might this balance evolve over time – and when could it become unsustainable without more fundamental change in how the organisation operates?
- If greater freedom over funding were available, how prepared is the organisation to use it to shape different long-term outcomes – and how far have current constraints shaped expectations of what is possible?

Community value and wealth

- Growth is a consistent priority, but how clearly is it defined within the organisation – who benefits, what kind of place is being shaped, and how do choices on housing, land, and skills align with that intent?
- As funding and powers shift regionally, how effectively is the organisation working across local government, the NHS, police and wider partners to shape place-based decisions – and how might this need to adapt as the wider system continues to change?

Resilient localities

- Most preventative work delivers impact over longer timescales, often beyond electoral cycles. How effectively is the organisation getting ahead of emerging risks – and how confidently is it making the case for this approach?
- When disruption occurs, some communities are disproportionately affected, and local networks often play a critical role in response. How well does the organisation understand these assets, and how consistently is it supporting them ahead of future pressures?

Trust and cohesion

- As expectations, behaviours, and sources of information continue to change, how might residents' understanding of and trust in the organisation evolve – and how prepared is the organisation to respond to this shift in visibility and legitimacy?
- As the democratic environment becomes more complex and contested, how might decision-making and leadership support need to evolve – and to what extent are current approaches suited to future conditions rather than past assumptions?

Connected spaces

- With increasing emphasis on community involvement, where might there be opportunities for the organisation to step back and enable greater local control – and how might this reshape its role over time?
- Community spaces and assets play a critical role in local resilience yet can be vulnerable to changing financial pressures. How well does the organisation understand which places matter most – and how might these be sustained under future constraints?

The futures process



Stage 1 - Scanning drivers of change

What is it?

An evidence based analysis of what might change
Developed with input from sector experts across the system, through a series of workshops

How can it help?

To discuss the most relevant changes and the connections between them

What are the resources?

A set of 49 drivers of change with supporting evidence and sources, prioritised by sector experts

Organised across seven categories: social, technological, environmental, economic, political, legal and values.



Stage 2 - Building the landscape

What is it?

A map of the future system in 2040.
Tested with LGA staff and local government representatives and partners across further workshops

How can it help?

To understand what 2040 might be like and identify new risks and opportunities

What are the resources?

A description of five themes that form the future landscape

Each with possible positive and negative dynamics laid out and questions to help you explore 2040



Stage 3 - hopeful futures

What is it?

Vignettes - hopeful stories of a positive outcome for each theme
Written with ideas from creative participants including youth voices across a final set of workshops

How can it help?

To bring the future to life and inspire your teams

What are the resources?

Five vignettes featuring characters named Sally, Joe, Tracey, Ali and Jeff, who range in age between 17 and 63 and live in rural, coastal, post-industrial and urban areas

In written and audio format with workshop suggestions

From scanning to action

Strategic futures work is designed to help people take an 'outside-in' view of their organisation, their operating environment, and their strategic challenges.

This section explains how we have applied that approach in this project, and how it shapes the themes and analysis that follow. First, it scans the horizon for signs of change. Second, it makes sense of those changes. And third, it helps people to identify the opportunities and risks that emerge from a fresh look at that wider horizon.

Horizon scanning on its own creates awareness of change and reduces the chance of organisational blind spots to change. But awareness alone is not enough – sense-making is needed to translate it into action. In this project we used the drivers of change identified in the scan to develop five themes of change that will shape the overall landscape in which local government will operate. This was done in a workshop process with stakeholders, not as an isolated research exercise. The themes then emerged inductively out of the drivers prioritisation process.

Together, these five themes – **A new deal for local places; Community value and wealth; Resilient localities; Trust and cohesion** and **Connected spaces** – describe the overall system in which local authorities will be operating in the next decade and a half. Technology is woven through all of them. Taken together, they represent a *diagnosis*, as described by the strategist Richard Rumelt:

The diagnosis for the situation should replace the overwhelming complexity of reality with a simpler story, a story that calls attention to its crucial aspects. This simplified model of reality allows one to make sense of the situation and engage in further problem solving.¹

Together, these themes can be called a 'futures landscape'. In this analysis, each of the themes is associated with a positive loop that identifies opportunities, and a negative loop that identifies risks. A loop shows how different changes can link together and build on each other over time – making things better or making problems grow. These are not prescriptive. Every local authority will make different choices in the face of these opportunities and risks. The end of the report will focus on what hopeful futures might look like in practice, based on the opportunities. Together, the landscape analysis and hopeful futures vignettes are intended to open new conversations and approaches to change in local government.

¹ Richard Rumelt (2013). *Good Strategy, Bad Strategy*. Profile Books, p.81.

1. Drivers of change

The first stage of any foresight project involves gathering data that tells us something useful about the times to come.

At any given moment there is a range of possible futures that could emerge from the present. They are uncertain because they are shaped by the interaction of many, complex factors.

To explore the future in a meaningful way we need to simplify this complexity by identifying what is useful, rather than simply interesting. We also need to look up from what is immediate and pressing and see what else might be encountered in the landscape ahead. This is 'horizon scanning' and it typically results in a set of drivers of change. A useful set of drivers spans a broad range of topics, using qualitative and quantitative data. It also includes early signs of change as well as established trends. There is more detail on methods in the Technical Annex A: Methodology.

A driver is only useful if it is relevant to our question about which forces will shape local government in 2040. We worked with sector experts from the LGA and partner organisations to help us prioritise the most important drivers and explore connections. This formed the basis for the themes and analysis that give us our 2040 landscape.

The full list of 49 drivers spanning social, technological, environmental, economic, political, legal and values is summarised on the next page. The drivers prioritised by experts in both workshops are in bold. Appendix 1 (a separate document) is the full drivers deck with supporting evidence and references. Figure 1.2 on the next page after the driver's list shows an example of an individual driver card.

Figure 1.1 Interconnected system of 49 drivers



Figure 1.2 Driver card

Sustained loss of social infrastructure amplifying social isolation

En4

The reduction of locally embedded associations and “third places” is further eroding attachment to place **STEEPL+V: Environmental**
Molitor: Advancing

Local social institutions, including community centres, residents’ associations, and neighbourhood cafes, pubs and shops, are in decline. People still band together around interests and activities, particularly sports, but these are increasingly mediated by online systems and/or reliant on the use of privately-owned locations.

The disappearance and/or up-marketing of so-called “third spaces”, such as the traditional “local” pub, has further reduced opportunities for casual social interaction and meeting new people. These developments correlate with a much-reported increase in loneliness and social isolation, although other factors contribute..

Signals:

- commercialisation of social activities and venues
- growing sense of social disconnection
- steady disappearance of associations, clubs and public houses



James Yardley, CC BY-SA 2.0, via Wikimedia Commons
Photograph of a local pub or community venue.

GOV.UK (2025) [Community Life Survey 2024/25: Loneliness and Support Networks](#)

Bolton, M. and Dessent, M. (2024) [Focussing on doubly-disadvantaged neighbourhoods](#)

Guardian (2025) [One pub a day closed permanently in England and Wales in 2025](#)

UCL (2025) [Half of all Britons feel socially disconnected from society](#)



2. Building the landscape

The second stage of this project involved taking the evidence from the first stage and using it to describe a future landscape – the environment in which local authorities might find themselves working by 2040.

The overall landscape is a highly complex system. To make it more understandable, we built thematic clusters of drivers based on the discussions in the prioritisation workshops. The resulting five themes are a set of interconnected but different points of view from which to observe the system. It is important to note that the landscape is not a scenario (which defines a single possible future), and nor are the individual themes.

Each theme was analysed in detail to explore the potential positive and negative dynamics that could emerge from it. This helps to understand the different ways in which the future could play out, and to ensure a focus on opportunities as well as challenges.

The themes and dynamics were tested and refined in workshops featuring experts from the LGA and partner organisations. The experts helped us to ensure that the narratives reflect real-world experiences, structural differences between local authorities and the ways that technology might be used in different themes. The high level descriptions are included in this report with more detail on the underlying analysis, dynamics and differences in Appendix 2: Landscape Report (a separate document).

- **A new deal for local places:** Increasing demand for statutory services will continue to drive financial pressures across local areas, unless there is a new underlying settlement.
- **Community value and wealth:** Current economic conditions will continue to weigh heavily on some local areas, unless new approaches build and retain local value.
- **Resilient localities:** Climate and resource pressures will continue to put strain on the systems that keep places working, unless resilience is embedded locally.
- **Trust and cohesion:** Shifts in media and public discourse will continue to reshape trust in institutions and wider cohesion, unless there is an adaptive response.
- **Connected spaces:** An ongoing decline of civic spaces will continue to affect belonging and support, unless social infrastructure is restored and strengthened.

Theme 1: A new deal for local places – rethinking the statutory service system

Increasing demand for statutory services will continue to drive financial pressures across local areas, unless there is a new underlying settlement.

Relevant drivers: Ageing population ● Living longer, fewer children ● Care demand / funding mismatch ● Big Tech and platform monopolies ● Private monopolies in care ● Shifts in finance ● AI for service delivery support ● Regulatory experimentation ● Expansion of care economies

This theme is about resetting the local deal between local authorities, government, partners and communities. It asks what communities need to thrive, what roles local authorities can play, how money flows into and between places, and how responsibility and risk are shared.

Local authorities are faced with spiralling costs for crisis and statutory services (in particular – adult social care, children’s social care, SEND and homelessness). However, they have varying capacities to raise money, and less freedom over how it is used. This stifles innovation, blocks preventive strategies, and weakens local choice. It also distances decisions from the lives of the residents they will affect. Expectations are unclear, sometimes unrealistic; trust is harder to sustain. A new relationship is needed – one that is clearer, fairer, and more local. This means rethinking who does what, how services are funded, and how power and resources are shared. It also means being more explicit about trade-offs between different priorities.

For local authorities, the most obvious place this problem lands is the balance sheet. Demand for statutory services continues to increase, as do the costs. Meanwhile, tax and other forms of income fail to keep pace. Keeping statutory services running often means that other services – no less important, but not legally mandated – are cut back or closed down entirely. For residents, there are two main places this issue shows up. For those with family in care, it’s a system that can barely cope, overloaded and often impersonal. For them and everyone else, it is reflected in the gradual loss or reduction of everyday services people rely on. Unfilled potholes, broken streetlights, reduced waste collection... the list goes on.

From here, there are two possible directions of travel.

In the positive direction, a new settlement is found between central government, regional institutions and local authorities, creating a clearer system of place leadership. This follows close consultation with residents, and positive pressure from community

groups and partners. The deal redefines the purpose, role and responsibilities of local authorities, and gives them more autonomy within a wider regional framework. It allows them to work with communities, and to intervene before issues become crises. It also moves decision-making closer to the people affected, and reduces costs through preventive measures, and other “whole picture” policy approaches. Shared data, analysed by technologies such as machine learning, flows across levels and supports more targeted interventions. Increased experimentation within and between regions enables faster learning, a stronger focus on prevention and more consistent outcomes.

In the negative direction, the story is “more of the same”. The patchwork nature of devolution presents obstacles to innovative delivery, and to reaching a new settlement. Statutory services become ever more urgent, expensive, and regulated. This leads central government to manage closely and intervene more often. Local authorities are increasingly seen as bundles of service provision by government and partners, which is in tension with resident expectations. Cuts are made in “unessential” local budgets, and residents feel they are paying more for less. As local outcomes decline, so too does public trust in politics, and community engagement. This in turn reduces willingness to serve as councillors, or take on the responsibilities of senior officers.

By 2040, either outcome is possible. Here, the crucial powers do not sit wholly with local authorities; a new deal will need to be shaped. But it is still important to imagine the possibilities that lie beyond this change – to build the coalition for change and be ready to make the case.

Sally’s vignette ([see section 3](#)) takes place in that possible world: a world where connections are made between people, as well as between files and records; where decisions are taken with people, rather than on their behalf; where problems still exist, but so do new possibilities for fixing them.

Theme 2: Community value and wealth – where it's made, and where it ends up

Current economic conditions will continue to weigh heavily on some local areas, unless new approaches build and retain local value.

Relevant drivers: Health disparities between and within local authorities ● Rural areas 'left behind' ● Marginalisation of coastal towns ● Rising household poverty ● Platform based work ● Increasing youth unemployment ● Increasing levels of mental illness ● Skills and learning mismatch ● Contraction of higher education sector ● Universal Basic Services ● Housing provision reimagined

Talk of 'economics' often makes it sound like it all happens somewhere else. But value is always created locally – the problem is that not enough of it stays there.

At present, a lot of value is extracted out of local places. Long-standing imbalances have left them locked into economic and employment models that extract value, rather than generating it locally. This results in increasing unemployment and insecurity, and impact on physical and mental health. As the tax base dwindles, local authorities become the safety-net of last resort, with increasing numbers slipping through the mesh. However, there are still practical ways local authorities can act – though the options available will vary between locations.

Economic circumstances vary widely between councils, but also within them. Rural areas and coastal towns have been hit particularly hard, but not always in the same way – and areas of deprivation can sit right next door to the wealthiest parts of larger cities. For residents, there are some common factors. Jobs are hard to find, hard to keep, and poorly paid. Housing is scarce, expensive, and of poor quality. Younger people either leave to look for better opportunities elsewhere, or get stuck outside of employment and education. Meanwhile local authorities are faced with increasing demand for services across all age groups, with less tax income from which to fund them. As places and people decline, it becomes harder to attract new residents and businesses – and to keep the ones you already have.

From here, there are two possible directions of travel.

In the positive direction, councils, working with regional institutions, move to rebalance the economic map. Depending on the possibilities, they bring together investment and infrastructure – using procurement to direct spending, and planning and development to shape how places grow. Together, they support local businesses, create jobs and expand training opportunities, brokering relationships that connect local priorities within wider regional strategies and foster growth. They strengthen their influence over housing supply and markets, as well as building new homes and retrofitting existing stock where possible. This drives down rents, improves quality of life and creates more local employment opportunities. Wealth and value are generated locally, with more of it kept closer to home. This rebuilds local confidence and pride, while reducing disparities across the country.

In the negative direction, inaction means that divides between and within council footprints continue to widen. Opportunities offered through devolution and regional institutions are unevenly realised: while some areas work effectively with regional institutions, others struggle to translate this into local impact. This leads to a downward spiral of insecure and scarce employment, and a lack of the skills that might offer escape. A sense of struggle and diminishing opportunity further impacts mental and physical health. Meanwhile, rents continue to rise on scarce, often substandard housing stock. Greater numbers are pushed into either in-work poverty or total dependence on council support and services. This further entrenches economic decline, which becomes a vicious circle.

By 2040, either outcome is possible. The path taken depends on the choices local authorities make now. While not every local authority will have access to the same opportunities, the starting point is to work with regional partners to understand and use the tools available. This includes recognising their power as a local employer and buyer of services – and finding ways to support those who want to work and make a difference.

Joe's vignette ([see section 3](#)) is the sort of thing that could happen: a young person finds a way to give back to the community by doing what they love; they're connected to further opportunities; they're supported into a place of their own, in a way that lets them feel they've earned it.

Theme 3: Resilient localities – enabling and coordinating community capacity

Climate and resource pressures will continue to put strain on the systems that keep places working, unless resilience is embedded locally.

Relevant drivers: Climate volatility ● Food and energy shocks ● Old infrastructure, new challenges ● Bioregions and local food sovereignty ● Resilience as a national and local security issue ● Cost of renewables continues to fall ● Planetary boundaries shaping policy

Local authorities and communities are faced with contextual challenges they cannot control. Climate volatility and ageing infrastructure come together to affect daily life more often, and more seriously. Food and energy price shocks put pressure on people and services alike.

Global problems are increasingly showing up on local doorsteps. The most obvious of these is climate change, felt with increasing frequency in the form of heatwaves, droughts and flooding, among other impacts. These challenges are amplified by infrastructures built for an earlier, easier time, which are straining to cope with increased demand and the changing climate. Meanwhile, economic turmoil makes itself felt at the supermarket checkout, and in the monthly utility bills. The question is how much pressure local systems can absorb before it becomes crisis – and the distribution of responsibility is not always clear.

These problems are widespread, but often hit the most vulnerable communities first, and hardest. Residents with low incomes often live in locations most at risk from environmental shocks, in housing built for a cooler, more predictable climate. However, it is often among those very communities that the greatest capacity for resilience already exists. For councils, the challenge shows up as increased demand for services and emergency response, and clearing up in the aftermath.

From here, there are two possible directions of travel.

In the positive direction, the first response to this sort of crisis comes from residents, local groups and businesses. With council support, they protect basic survival pathways through local and mutual action. This builds visible local capacity in places where disruption is already being felt. Meanwhile, local authorities work with regional partners to scale community and business-led action. They provide support through council assets, local procurement, infrastructure teams and emergency planning, while enabling businesses to contribute resources and local knowledge. This strengthens cooperation across catchments, grids and food networks, and makes this coordinating role more visible. Localities are able to absorb more pressure before hitting crisis point, reducing disruption to residents, services and businesses.

In the negative direction, global climate and economic shocks hammer down on local vulnerabilities, increasing pressure on services. Local authorities manage the consequences but can't address the underlying causes. Emergency support, continuity planning and repair consume scarce time and resources. The voluntary sector, already under strain, is unable to cope, while local businesses struggle to contribute or sustain their role in response. Infrastructural weak points persist, with gaps in regional support and coordination, as well as across supply chains and critical networks. Local government becomes locked into a repeating pattern of disruption management. Each new shock further reduces capacity for preventive work with local businesses and infrastructure providers, reinforcing a cycle that becomes increasingly difficult to break.

By 2040, either outcome is possible. The path taken depends on the choices local authorities make now. This points to the importance of looking beyond emergency response and strengthening the everyday systems that keep places working. Supporting communities, the voluntary sector and local businesses can unlock the knowledge, capacity and resources that already exist. Building partnerships within and across spatial footprints can help head off challenges before they become crises.

Tracey's vignette ([see section 3](#)) shows this in action: council coordinators working with volunteer networks to support the vulnerable; data and resources shared safely, and at scale; residents knowing that they're not in it alone.

Theme 4: Trust and cohesion – new ways to communicate and listen

Shifts in media and public discourse will continue to reshape trust in institutions and wider cohesion, unless there is an adaptive response.

Relevant drivers: Geopolitical volatility ● Institutional trust eroding ● Reconfiguration of the mediasphere ● Automated AI-based decision making ● Increasing political diversity ● Political mobilisation around open data ● Political and economic radicalism

Trust in institutions is hard to see, until it disappears. People need to be able to trust that their voices and needs are heard, and that decisions which affect them have been made fairly and wisely. They also need to be able to trust what they're told by those who make and implement those decisions.

The system was never perfect, but it has been badly eroded in recent years. New media technologies, particularly the internet, have played an important role. This has been for the better (allowing new voices to be heard), and for the worse (creating new forms of exclusion, and reinforcing old ones). A greater plurality of voices in the public sphere means a wider range of opinions and positions. Local authorities can no longer rely on being heard, let alone being trusted – but there are tools and techniques that they can use to adapt.

For residents, particularly in communities poorly served by traditional media, the new media landscape features voices who are willing to address issues and feelings that have been ignored or glossed over. Younger generations in particular ignore the old channels, such as radio, TV and newspapers, in favour of the digital media they have grown up with. For local authorities, already stretched on services, communication in multiple styles across multiple channels creates a considerable workload. It also increases the number of fronts on which they can be attacked.

From here, there are two possible directions of travel.

In the positive direction, the decline of trust is met with a new model for credibility. This starts with an approach to communications that is transparent and accountable, and meets people where they are. Openness and human connection are at the core, enabled and supported by strategic use of technologies to focus effort where it's most needed. The integration of participation into policy-making lets local authorities pick up and channel political energy, and strengthens a sense of community ownership in decisions and outcomes. Seeing messaging and action in alignment, residents' trust is gradually earned and maintained over time.

In the negative direction, the old pattern of top-down messaging keeps failing in the face of a changed media landscape. Sensitive issues are avoided, for fear of provoking critics. Automated systems replace human communicators, rather than supporting them. This retreat confirms resident perceptions of local authorities as distant and "faceless", and increases the appeal of voices willing to address difficult issues with seemingly simple solutions. Meanwhile, councils are becoming increasingly plural in their make-up, but are stuck with decision-making systems designed for an earlier time. This results in vital decisions going unaddressed and poorly communicated.

By 2040, either outcome is possible. The path taken depends on the choices local authorities make now. The new model is clear: making the best use of technology to support human communications and decision-making, rather than replacing it, opening up the policy-making process to resident participation, and meeting residents where they are – both virtually and physically.

Ali's vignette ([see section 3](#)) shows what this could look like: breaking with protocols made for an earlier era; using modern channels and technologies to show how and why decisions are made; and taking a step change in accountability. It won't always be comfortable – but building strong relationships never is.

Theme 5: Connected spaces – the social infrastructures that hold communities together

An ongoing decline of civic spaces will continue to affect belonging and support, unless social infrastructure is restored and strengthened.

Relevant drivers: Growing prevalence of mental illness ● Increasing youth unemployment ● Digital divide is changing shape ● Civic space and social amenities in decline ● Sustained loss of social infrastructure ● Contraction of higher education sector ● Growing expectations around “the right to the city” ● Criminal justice system under strain

Social infrastructure is the everyday fabric of relationships and local connections in shared spaces – the libraries, parks, clubs, youth provision and community spaces where people meet, and the networks that form in them. It is also where need is first noticed, long before it reaches a formal service.

Much of this fabric is thinning. Civic spaces and amenities are in decline, and social infrastructure is being steadily lost. This weakens everyday contact between residents, local organisations and councils. Meanwhile, the pressures that make it matter most are growing: rising mental illness, youth unemployment, a digital divide that is changing shape, and services already stretched thin, among others. The knowledge needed to rebuild it already exists locally. What has been eroded is the shared ground that work depends on.

The erosion feels different depending on who you are. For a young person, private online spaces increasingly stand in place of lost youth provision and trusted adults – spaces where status, grievance and risk are harder to spot. For an older resident, quiet isolation has replaced the social connections of the places they once gathered. For a frontline worker in a school or stretched service, need increasingly becomes visible only when it has already reached the point of crisis.

From here, there are two possible directions of travel.

In the positive direction, this decline prompts the protection of a visible local presence. Places that people already use and trust become spaces for listening, for raising issues, and for local organising; public participation moves back into everyday civic life. Over time, this builds new habits of local problem-solving, delivered through clubs, youth provision and public meetings, as well as the shared use of parks, libraries and online groups. These habits support local stewardship, belonging and civic confidence. The fabric is slowly rewoven, because people are using shared civic spaces to make local life work.

In the negative direction, the decline is not addressed, and compounds. Everyday routes into learning, work and public life continue to disappear – and the people who rely most on informal spaces lose them first. Schools, colleges and stretched services are left holding issues once buffered by youth provision, local associations and trusted adults. Withdrawal becomes easier to miss: young people retreat into private online spaces, while older and more vulnerable adults grow lonely and dependent on diminishing services. When need surfaces, the places that might have helped are weaker, under-used or simply gone – and with them, the emotional connection and sense of ownership that hold a community together.

By 2040, either outcome is possible. The path taken depends on the choices local authorities make now. This suggests a shift in approach: from councils carrying every building and every cost, to instead enabling spaces and the communities who are already making them work. This is stewardship, rather than sole provision; a visible presence in the places people trust; and shared frameworks that allow community assets to be handed over and sustained over time.

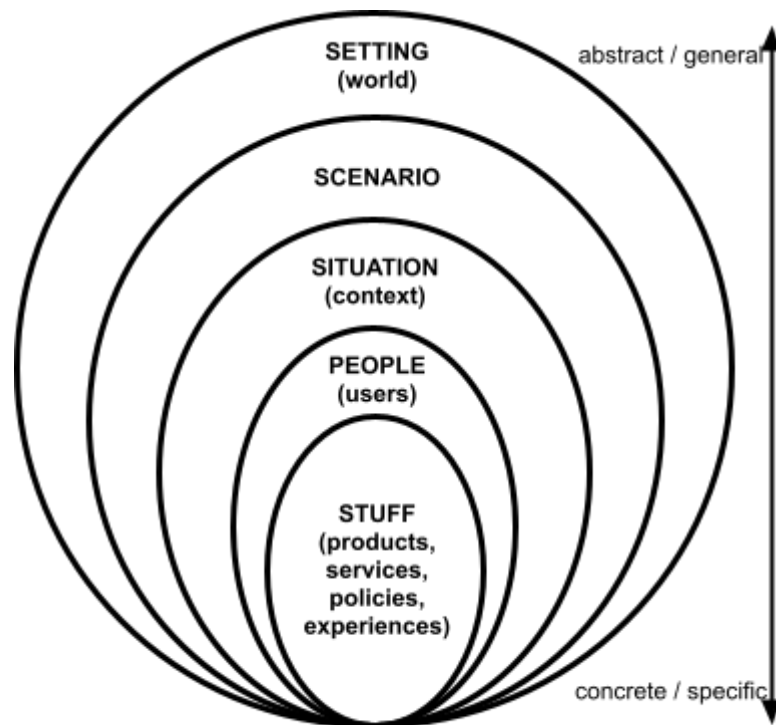
Jeff's vignette ([see section 3](#)) shows what this can look like in practice: a derelict library handed to a residents' group through a framework built for exactly that, and a shared repair fund that means a broken boiler is no longer an existential threat for the people holding a place together.

3. Hopeful futures

The themes in this report have value. They were also a platform for the 'hopeful futures' stage of the project. This involved stakeholders in a creative exploration of the landscape themes.

Through a creative storytelling process, participants worked together to bring to life hopeful futures of local government. These vignettes take key moments from the positive thematic loops and situate them in plausible, street-level situations. Fictional characters are introduced to explore and illustrate the everyday encounters and interactions that might be involved.

The hopeful futures process was designed to move downward through the 'ladder' of experiential futures practice (see diagram)². The landscape and themes from the previous stage exist at the SETTING and SCENARIO levels of the ladder. The workshops were designed to move from those fairly abstract descriptions to more specific, concrete depictions, by paying attention to SITUATIONS, PEOPLE, and STUFF.



(adapted from Candy and Dunagan 2017)

These workshops were a key component in the community-building aspect of the project, aimed at getting people excited about the work and inspired by the possibilities. The participants included young residents alongside council decision-makers and sector experts, in order to broaden the range of perspectives and ideas on tap.

² Candy, S., & Dunagan, J. (2017). [Designing an experiential scenario: The People Who Vanished. Futures, 86, 136-153.](#)

Vignette 1: A new deal for local places – Sally, 43

The triage room smells of last night's cleaning. Sally is early, as she always is, and she sits with her coat still on, reading back through her notes.

They come in together now. The Special Educational Needs Coordinator (SENCO) from Rustmill Primary. The paediatrician's liaison. Dan from housing. Last is the social worker, Priya, apologising as she unwinds her scarf and settles into her seat.

There is less hesitation than there used to be. People arrive knowing why they're here, and what they bring. This meeting didn't used to exist. Back then, support happened across different services, often at different times. This is how the system works now – shaped around roles like Sally's that bring it together.

Sally has been a community connector for eight months. There are dozens of them across the borough. The role sits between services, but also slightly outside them – deliberately so. Fewer emergency referrals, less crisis housing demand, and social workers who can carry smaller caseloads. The theory is that paying someone to do the preventative work costs less than waiting. Sally wouldn't call it a theory though.

She is 43 and has lived in the neighbourhood her whole life. Half the families she works with came to her first through their faith group. The council now has a formal agreement with a range of faith groups: appropriate data-sharing and a small amount of funding for the referral function they had provided informally. Before this job existed, Sally did much of the same work from her kitchen table, because someone had to. Now she has a salary, a council email address, and is actually part of the process.

The case is a boy called Marcus. Seven years old. His mother, Yemi, has been asking for an assessment for six months. Now it's moving.

Sally doesn't open the referral form straight away. She talks about the flat on North Road. The size of it. Nowhere for Marcus to go to calm down. She tells them about the felt tips – the way he picks them up in colour order before he can draw, checking the lids one by one with his thumb. His shoes placed exactly the same every morning. And the exhaustion of a parent who knows this but has not yet had it recognised.

The SENCO has seen Marcus twice. Sally has seen him 14 times. The difference reflects how the roles are designed.

That difference is why she's in the room. Now the expectation is to build a shared picture first and respond together.

Across the table, the social worker has stopped writing. The paediatrician's liaison leans forward slightly. Dan is already noting the housing dimension. The system moves together. They begin to shape a plan.

An assessment. A home visit before then. Housing flagged – as part of the same situation. The list is still long. But cases like this are approached as a whole, and action follows more directly. Sally writes it all down. Names. Dates. Direct numbers.

What matters isn't just the plan. It's that responsibility now sits clearly with the group, held across services rather than passed between them.

Before the meeting breaks up, she sends the plan to Yemi. It's written in plain language, and sent to her phone. After the meeting, Priya catches her in the corridor. She'd like to do the home visit jointly. It's the third time they've done this and there's a shared case file now. A single place where both make notes. They agree on a date and Priya heads back upstairs.

Sally has one more stop before home. The community centre on Forest Road, where Hodan is waiting. Sally had promised to introduce her to someone who'd been through the same experience. Damp, a dodgy landlord, letters that didn't make sense. Fatuma is already there with two cups of tea. Sally stays long enough to make sure they don't need her, then leaves them to it.

On the walk home, she checks tomorrow's list. There are more names. The difference is that it is held differently now – earlier, together, and brought into one place through roles like hers.

It took time to build. Now it holds.

Vignette 2: Community value and wealth – Joe, 17

The floor is cold through his jeans. Joe has been sitting against the wall for 20 minutes, maybe more, not quite ready to start unpacking. The flat is empty except for his jacket in the corner and his guitar in its case by the door. The door is locked from the inside, and he has the key.

He presses it into his palm, and the teeth leave small white marks.

People used to describe the town by what it was. The fishing fleet, the processing plants, the pubs that kept it all going. Once the biggest fishing port in the world.

What people talk about now is what's returned. The harbour isn't empty anymore. It's not what it was, but not silent either. The high street fills differently. It has more uses, more doors opening. Most people his age used to leave. Some still do, but fewer than before. There are more reasons to stay now.

Joe is here because he volunteered at a festival two years ago. It was in a former department store that had been empty for years. The owner got something back on the rates for letting the council use it. Something like that. He didn't need to know the details. It just meant the doors stayed open.

He'd helped in the 'rising stars' room. Helping teen performers to get through their first two minutes on a stage. Plugging in mics, coaxing them up, and encouraging from the wings. He knew what they were feeling.

He can hear someone singing in the next flat. The walls are thin but he's not complaining. Someone his age by the sounds of it. Same building, same scheme.

The next two festivals he helped to organise. And in between he ran sessions for younger kids. Tuesday night, some instruments, a room above the community centre that the council schedules through an app so it never sits empty. The space belongs to no one in particular, and to everyone a little.

Deborah had been at the festival too, watching who stuck around. That had become part of how things worked – spotting people in places like that.

She explained the scheme in a cafe near the old market. Slowly, leading him along. No, it's not means-tested. And no, it's not for people who are failing. The rent is affordable because of what he contributes. Because of his potential. To keep him in the town. She said the same thinking ran through all their work – support organised around life stage and social contributions, not just income. Businesses that took on local people, that

invested in skills, got something back: premises, introductions, discounts to certain services.

The flat would come with support, but it's not heavy. Financial guidance if he needs it. Tenancy advice that adjusts as things change. A way of staying connected without being watched.

If he one day has a family, he would probably be eligible for something else. Family homes were becoming easier to find again as solitary older people were offered something better suited to their needs. It took coordination to get there. It still does. Joe thought it sounded sensible.

There are kids in Joe's Tuesday sessions whose parents and brothers he knows from when he was at school. That's a particular kind of rooted, he thinks, that he might not find anywhere else.

He opens his hand. The marks from the key are fading.

Outside the last light is on the harbour and the gulls are making a racket. He picks up his guitar and holds it quietly for a long time.

This place isn't what it was. But it hasn't been lost. It's changed shape and become somewhere people can stay.

Vignette 3: Resilient localities – Tracey, 46

Tracey's mind has been turning over worst-case scenarios for the last half hour. She has tried her mother twice since lunch.

It's worrying. Her mum normally picks up pretty fast. 84, mildly forgetful now, and living alone in the next village over, she has the stubbornness of someone who has seen a lot and doesn't like to make a fuss about a little bit of sun.

The heatwave has been running for 11 days.

Tracey is early for school pickup. She wonders if there's time to pop round to her mum first. There isn't, so she wanders into a meeting in the school hall. It's better than sitting in the car worrying.

The hall is fuller than she expected. At the front is Denise, coordinator of CivicLink. Denise has the manner of someone who has been doing this for years. Beside her sits a council officer from the community development team, which has grown over the last five years to become the front line of day-to-day engagement with residents.

Denise explains how CivicLink works. It builds from what people already know: who lives alone, who struggles in the heat, who doesn't drive. Local knowledge combined with the council's vulnerability data.

Tracey is half listening, her phone in her lap.

This morning, Denise says, volunteers completed 112 welfare checks across the town, and water deliveries to 60 households. Behind those numbers is a web of coordination: the Local Resilience Forum flagged an alert, the council shared vulnerability data, the water company arranged supplies, and NHS and public health teams set the welfare thresholds. CivicLink is the local layer that knows which door to knock on.

The council's team supports CivicLink with some funding, tech support and data-sharing agreements. Volunteer availability is tracked; routes between visits update automatically. Local transport and mapping apps link in. Carers are now kept up to date through a shared channel, so that updates don't have to go through individual companies.

Local radio, push notifications and voice assistants carry coordinated guidance – curtains closed by ten, drink water every hour – messages repeated across the day, familiar enough to settle into routine.

Tracey's phone buzzes in her hand. A message from a number she doesn't recognise:

Hi Tracey, I'm a volunteer with CivicLink. I visited your mum this morning with some water and to check she was doing OK. She's doing well, keeping cool, curtains drawn

like a pro – she said to tell you. She mentioned you'd been trying to call. Just wanted to let you know she's fine.

Tracey reads it twice.

Her mother has been part of the network for nine months, added by a volunteer after a neighbour mentioned she lived alone and struggled in the heat. Tracey had never thought to do it.

There's a rush of relief, but also something more. She thought she was looking after her mother alone, but it turned out she wasn't. She texts her mother, who replies within seconds, saying she's "*fine!!!!*".

She'd been asleep and didn't hear her phone.

Denise ended the meeting by mentioning that the network was looking for volunteers; that it was good for your skills and could be fit around other commitments. Tracey listens differently now.

Her mother is still her responsibility. That hasn't changed.

But she isn't carrying it on her own anymore.

The heat hasn't eased, but it's easier to hold.

Vignette 4: Trust and cohesion – Ali, 23

The meeting is on the third floor. Ali's manager, Paula, has a notepad and pen arranged neatly on the table. She's been talking for ten minutes about the council's social media policy and the importance of raising concerns through the right channels.

Ali knows all about the channels. He used them three times since joining the council, and every time the outcome was a conversation much like this one. These days the council publishes everything: performance data, waiting times, budget decisions. Residents can interrogate it, build on it, argue with it. And there's always a few of them who do.

The only other person in the room is Alex. She is Head of Resident Experience, above Paula's paygrade, who sits quietly to one side, to understand. That means she is here because she chose to be. Ali has been watching her face the way he watches most things: carefully, without appearing to. Here is something different – an openness, a sense that someone senior is not just listening, but willing to act on what she hears.

Ali came to the council through a connection from his keyworker when he aged out of youth services at 18. At seventeen he had tried to raise concerns about his support services but the system hadn't noticed. He hadn't arrived full of trust in the council.

What he posted was a thread on social media: 19 short pieces, neatly sourced by an AI tool he'd built himself, exploring how the council's public position on temporary accommodation waiting times aligned with its performance data. He also released the tool publicly, so residents could interrogate the data themselves – something the council increasingly encourages as part of how it learns and improves.

The data wasn't hidden. It sat in the council's open performance register, the way it was supposed to, but in a form most people would never think to read it. What Ali had done was to make it legible; 19 plain-language points anyone could follow, and the tool to check them. By next morning more than 34,000 people had seen it, shared by residents and local groups who had been asking the same questions.

Paula is talking about reputational implications. Her decision-support software has reviewed Ali's posts and has recommended disciplinary action. Ali keeps his hands flat on the table. He knows the importance of staying level. That hasn't changed.

Then Alex speaks for the first time. She asks Paula whether the council's public position on temporary accommodation waiting times reflects what the data actually shows – or whether it has been shaped by how the council would prefer the issue to appear. It is the kind of question that gets asked more openly now than it once was.

The room is still the same, but something shifts in the atmosphere, and Ali feels it in his chest. Not relief, exactly – but maybe hope?

Ali is kept on. Alex creates a team, people from outside the council's usual pipelines: a community journalist; someone who had been running a tenant advisory service; a data activist who had spent three years holding the council to account through its own public registers. Ali knows her work. He had cited it in his thread.

The team has no formal name yet, which suits Ali. They start in a small room on the third floor that used to be storage, and don't stay that size for long.

After another year, the engagement dashboard is no longer a simple score. It's an open-access briefing that goes to senior leadership each week, highlighting emerging local narratives, and where the council is falling short.

The council doesn't look away.

Vignette 5: Connected spaces – Jeff, 63

The brief lands on a Tuesday. Jeff reads it twice, as he always does, and thinks: we know how to do this now.

A derelict library in the middle of a ward he knows well, to be transferred to a residents' association that does not yet properly exist. The Cabinet Member wants it done before the election. Naturally. It will need to stand up to scrutiny.

He pulls up the asset map. The library glows red – structurally questionable, copper roof stripped years ago, sitting empty while the council decided what to decide. Around it, across the borough, a patchwork of colours. Mostly green spaces running themselves. Some amber – still finding their feet. And a handful of red. He's got 14 other cases like it, but there used to be far more red.

He's been a housing officer for 40 years and has watched enough good ideas come and go to be careful about enthusiasm. He trusts what he can see with his own eyes.

Alice greets him at the door with a plate of beans and mash. Good of her to spare it as her lunch club has outgrown her kitchen. People spill into the front garden on days like this, a mass of camping chairs.

Regulars are arranged next to newcomers – finding their way here through schools, faith groups, neighbours, or connectors. It looks informal. What Jeff sees is something that works.

Alice's energy seems boundless, but she has ever more people and the same kitchen. She agrees to come to a meeting about the library, once one is arranged.

Outside he talks to the regulars. Some are sceptical. The copper roof, the state of the electrics, the question of who would actually run it. And where will the money come from to maintain it? Others can see it immediately. Bigger space. Comfier seats. Somewhere their grandchildren might actually want to come.

Jeff has met a hundred Alices in 40 years. He used to watch half of them burn out by sixty, because there was nothing around them. Fewer burn out now. His job is to build something that holds them up when the enthusiasm has a hard month.

The handover takes seven months. The process is clearer than it once was. There's a shared legal and planning framework now, used across the region, designed for exactly this kind of handover. He developed the first version himself, after watching the same questions sink a project in Oldbury. It is, he thinks, probably his most useful piece of work.

In the first year after opening the issues are non-stop. The repair fund covers the worst of it; paid into each month by 58 other spaces across the West Midlands. A broken boiler no longer feels like an existential threat. And when Alice hits a wall in month eight, Jeff puts her in touch with the organiser who went through the same thing two years ago. That is what the network is, mostly. Knowing who to call. That's part of the system.

One day over a family dinner, Jeff finds out his granddaughter has been going to the music nights there most weeks.

Jeff asks her what it's like and she shrugs. "It's okay", she says, adding "It's somewhere to be."

For most of his career, places like this came and went with the people who held them up.

Now, more of them stay.

He'll take that.

What forces will shape 2040 and how?

The landscape themes, dynamics and hopeful futures vignettes were co-created with more than 100 representatives from local government, the LGA and wider partners. They emerged from discussions on the trends that are most important for shaping roles and responsibilities in 2040, and how these trends are interconnected. The co-creation methodology means that the relevance and usefulness of these themes has been thoroughly tested. There was a lot of consensus, and they should feel familiar to councillors and officers. But we also heard a good dose of scepticism, disagreement and uncertainty on how the themes might play out. This is important for challenging what we think is possible.

The purpose of identifying themes is both to make a complex landscape readable and more manageable. Exploring them in detail has helped to move from a broad understanding of trends to specific insights on how local government might be shaped by 2040 - the operating environment, roles and enablers.

How might the operating environment change?

Across the landscape descriptions and hopeful futures vignettes we see that what people want from their local authorities, and more generally, might not change much: security, belonging, agency, opportunity, dignity. What has changed is the contexts in which those needs exist. These include labour market shifts, community fragmentation, climate volatility, spiralling cost-of-living, and declining trust in institutions.

This means they must be met under harder, less predictable conditions, amid higher expectations of personalised service and lower tolerance for friction. Such dilemmas can't be resolved through trade-offs. Instead, they depend on local authorities adapting to the changing context.

How might roles and responsibilities be shaped?

Each theme highlighted the risk that doing more of the same leads to the theme playing out negatively by 2040. The positive pathways and vignettes give some pointers to ways in which roles and responsibilities might shift by 2040 in response.

A new deal for local places shows that system reform is needed to disrupt the driving force of 'more of the same'. Structural changes alone won't break the cycles of crisis and intervention. This shows how important it is for the sector to come together and answer the question on what the role of local government should be by 2040, aligned with funding and matched with freedom to shape the system to meet people's needs.

Community value and wealth highlights the role of procurement, power and partnerships. While local authorities do not act alone in building and retaining value in place, they have a central role in using their powers and in convening, influencing and incentivising partners.

Resilient localities demonstrates how the increased frequency and severity of climate and price shocks could shape a different role. Resilience comes from coordinating and sustaining a distributed network of initiatives, centred on local knowledge.

Trust and cohesion shows that the scale of change in norms and expectations will require new ways to communicate and listen. Councils will need a shift in how they approach participation and decision making to build relationships.

Connected spaces exposes the way that decline in spaces is intertwined with challenges on early intervention and prevention. Investment in community spaces - and the people who make connections happen in them - are central to reducing long-term pressure.

What influences how these forces play out?

The hopeful futures discussions envisioned local government as a connected, human-centred system that rebuilds social infrastructure. These are futures where councils enable communities to thrive, relationships form early to prevent crises, and people feel supported before formal services are needed.

But we saw in the landscape section that each theme could play out in very different ways, depending on the choices local authorities make now. These are some of the actions that workshop participants identified that could lead to the more hopeful pathways by 2040.

Bridging services and systems: The vignettes kept returning to a fundamental challenge. Simply improving delivery or redesigning individual services may not be enough. The futures described by the groups showed a shift from fragmented reactive institutions toward joined-up, preventative systems. This was illustrated through new roles that sit between and outside services, council staff working seamlessly alongside partners, information being shared across traditional silos and people working together to shift resources and effort.

Opening up the machinery: The vignettes all featured a shift in culture, going beyond 'communicating more' to fully embrace transparency. They described this happening

around the little things as well as the big decisions. They showed what could be unlocked by sharing problems as well as successes. They also described what a more participatory approach to policies and decision making could look like in practice.

Trusting people to do things in new ways: All of the characters in the vignettes had something very important in common: agency. When they saw something that could be fixed they felt able and trusted to act. They found new ways to solve problems, in new places, with community knowledge and experience. Learning from these experiments within and across local authorities then helped approaches to spread.

Using and transferring power: There will be shifts in power between citizens, local and central government by 2040. We don't know quite what these will be yet. But the vignettes suggested some cases in which local authorities may need to use their powers more, and others where they may need to give them up. The power that comes from being an employer and purchaser will still exist by 2040. Even in areas where powers may feel lacking, local authorities and their partners still have the ability to shape a local vision and explore both the incentives and the softer influence that moves other partners in the same direction. Some of the vignettes gave examples of councils stepping back into a stewardship role - a move that will depend on changes in confidence and behaviour as much as practical frameworks.

Applying technology in service of people: At each stage of the process we probed on the role that technology would play. It was never seen as a solution in its own right. The key actor is always human - and each hopeful future hinges on a conversation, or a trusted person. But technology often emerged as the glue holding the ways of working together. The people in the vignettes were effective because they could easily share data, draw on insights from technologies such as machine learning, plan how to deploy assets and people, communicate directly and personally with residents and understand in real time what is and isn't working.

The vignettes show how technology can connect services, reduce friction and surface opportunities, but also that it works only because someone has introduced and supported it. Freeing up people to focus on relationships by 2040, as we see running through each theme, depends on decisions and investments in the coming years.

Some hopeful shifts to end on

We encourage you to engage with the material in this report to draw your own conclusions. In the meantime, here is a list of what we're thinking of as 'hopeful shifts' in what local government does and is.

From...	... to...
<i>delivering services</i>	<i>holding the system together</i>
<i>formal services alone</i>	<i>social connection as infrastructure</i>
<i>reactive systems</i>	<i>active, relational outreach</i>
<i>digital-first services</i>	<i>human-first systems, tech-enabled</i>
<i>single-purpose buildings</i>	<i>vibrant, shared civic spaces</i>
<i>reactive crisis response</i>	<i>early intervention woven through daily life</i>
<i>consultation</i>	<i>shared stewardship of place</i>
<i>'one-size' systems</i>	<i>actively inclusive design</i>
<i>recognising community effort</i>	<i>actively sustaining community effort</i>

Resources and support

Provided by the Local Government Association

Resources and support will be critical in helping councils respond to current challenges while preparing for change through to 2040. The report opens new ways of thinking about the future, while staying grounded in today's realities. Many of the changes identified are not new; they reflect pressures and opportunities already shaping decision-making across the sector. There is therefore strong alignment between the five themes and the LGA's existing activity, particularly in areas such as financial sustainability, public service reform and prevention. This includes renewed work on place-based approaches, for example, through Total Place principles, supported by a [Total place handbook | Local Government Association](#) to help councils and partners apply these principles in practice.

Across a **new deal for local places**, the impact of constrained systems is already evident through rising demand and sustained funding pressures. [Reform of the local government funding system in England](#) remains a central priority. The LGA continues to make the case for a more sustainable and preventative settlement through its [Autumn Budget 2025 submission](#) and following the [2026 Budget setting survey of CFOs](#), supported by updated funding gap analysis. This reflects the broader shift identified in this report – from reactive responses to a more strategic, locally driven approach to funding and service design.

In **community value and wealth**, the challenge of value extraction is being addressed through our work on employment, skills and inclusive growth. Our [Work Local programme](#) demonstrates how devolved, locally led approaches can strengthen local economies, retain greater value within communities and support long-term resilience. And our [Force for Growth](#) report highlights the role of councils in driving inclusive growth – aligning with the shift towards building community wealth and more sustainable local economic systems.

For **resilient localities**, our [Devolution Hub](#) highlights our work to ensure devolution reflects the sector's appetite to respond to increasing levels of complexity as equal partners in a system that needs to operate effectively across local, regional and national levels. The LGA continues to shape the future direction of the devolution agenda, working with government to shape policy and near-term priorities. This aligns with the shift from fragility to resilience – supporting stronger system leadership, clearer roles across geographies and a more long-term approach to risk and change.

In **trust and cohesion**, the report's focus on changing relationships between people and institutions is reflected in ongoing work to strengthen trust, legitimacy and social cohesion. This includes improving intelligence sharing between councils and police, supporting the [delivery of the government's cohesion strategy](#), developing responses to mis- and disinformation, and [delivering practical guidance](#) with partners such as Belong. It also includes our [calls for the UK government](#) to work with partners to address abuse and intimidation in public life, and for reform of the [local government standards system to support respectful debate](#) through a consistent national code of conduct and stronger sanctions.

Finally, in **connected spaces**, the decline of civic infrastructure and local connections is being addressed through work on [neighbourhood governance](#) and social infrastructure. This highlights the role of councils as convenors of local systems, supporting participation, prevention and community resilience. It also underscores the need for appropriate and targeted resourcing, particularly in areas where social infrastructure is weakest.

Taken together, it is clear that the sector is already engaging with the shifts set out in this report. LG2040 does not start from a blank slate; it builds on existing activity, connecting immediate delivery with longer-term change and providing a clearer framework for understanding how today's decisions will shape future outcomes.

These insights are supported by a wider set of resources available on the LGA website, including dedicated LG2040 content on our [Horizons Hub](#), where local authorities can access our drivers of change, deeper analysis of the five themes, and our hopeful futures vignettes.

Councils can also engage through our Horizons Network, a peer forum for officers interested in futures thinking. Further support is available via lghorizons@local.gov.uk.

Afterword: next steps

Provided by the Local Government Association

We would like to thank SOIF and Futurall for bringing these insights together and for leading the conversations that have shaped this work. Through this, they have identified five key themes. Together, they describe a system under significant pressure, but also one with real opportunities to adapt and improve. At their core, these shifts highlight a simple truth: while people's basic needs – security, belonging, opportunity, agency and dignity – remain constant, the context in which they must be met is becoming more complex and uncertain.

Looking to 2040 brings both clarity and challenge. The scale of change can feel vast and difficult to navigate. This work therefore focuses on five priorities – areas where there is strong momentum, shared relevance and the greatest potential for collective action across the sector. In doing so, it offers a clearer basis for thinking, acting and collaborating on long-term change. The future is not fixed, and local authorities and their partners have the opportunity to shape it.

Within this context, LG2040 forms part of a wider effort to support a more confident, capable and connected sector. It builds shared understanding of long-term change while strengthening the ability to act on it – supporting place leaders to work across systems, convene partners and make strategic choices about how places grow and adapt.

From here, the focus moves from insight to application. Working with the sector, government and partners, the next phase will explore what these shifts mean in practice – testing ideas, developing approaches and deepening understanding of how systems need to evolve. Alongside this, there will be a continued emphasis on strengthening collaboration, building capability and supporting a more confident collective voice.

Ultimately, the aim is not only to prepare for the future, but to shape it – ensuring local government is well placed to meet the needs of people and places, now and into the future.

Technical Annex A: Methodology



Stage 1: horizon scanning and driver prioritisation

The first stage of a foresight project involves gathering data that tells us something about the times to come. We apply rules to make sure we have a broad perspective, and then refine the selection by checking for relevance.

In this section we explain the purpose of horizon scanning, and explain some terms and tools associated with it. Scanning is a structured process for gathering and sorting data that tells us something about how things might change – or not – in times to come.

- **Scanning is about defining the landscape** that matters to the project question; **it is *not* about identifying solutions.**
- **A good scan should include a range of data types**, so that patterns of change in the landscape can be identified.
- **A scan should therefore draw on a wide range of sources, both quantitative and qualitative**, in each of its phases.

We also explain how we prioritised the outputs of the scan for this project. This involved workshops with people who have front-line experience and expertise in local government. Then we show how the workshops allowed us to form the data into a set of themes, which would feed into the following stage of the project.

- **Prioritisation is not about discarding data, it's about qualifying and deepening it.**
- **Differing interpretations are inevitable, and necessary**; deciding what the drivers mean, and how to handle them, is the point.

Scanning methodology

What is horizon scanning, and why do we do it?

“Horizon scanning is a structured process designed to capture, make sense of and assess the importance of emerging issues, trends and developments... that might significantly influence current policy, service delivery, and practice.”³

Organisations don’t operate in isolation. They are always interacting with the outside world. However, the range of things that can happen – which we refer to as the landscape of change – is far too complex for any one organisation or process to explore in full.

Because of this complexity, the landscape of change is defined by the ‘system of interest’, which for this project is *the future of local government in England*. A particular focus is provided by the project question: **what forces will shape the roles and responsibilities of local government by 2040?**

The project question should not be understood too narrowly, however. That’s why the first test for prioritising data is *relevance*: the potential of things to affect the system of interest, whether or not it seems that anything can be done about them.

What is a ‘driver’?

We say ‘drivers’ as a shorthand for four different categories: **drivers, trends, weak signals and emerging issues**. These categories can be thought of as two pairs (see overleaf): trends are evidence of drivers, while emerging issues emerge from clusters of weak signals. The categories are a heuristic: a tool to shape discussion and make sense of information. A successful scan should include a blend of drivers and emerging issues.

- **DRIVER:** “a force of change that sits behind a trend”⁴
- **TREND:** quantified evidence of a driver⁵
- **WEAK SIGNAL:** early indicators “of an emerging phenomenon that could be significant in the future”⁶
- **EMERGING ISSUE:** clusters of weak signals that “might interrupt existing trends and current processes... [or] become new trends themselves”⁷

³ Delaney, K. (2014). Innovation Toolkit: Introduction to horizon scanning in the public sector. Australian Department of Industry.

⁴ Gordon A. (2009). *Future Savvy*. AMACOM.

⁵ Gordon, A. (ibid)

⁶ Dufva, M., and Rowley, C. (2022). *Weak Signals 2022*. SITRA.

⁷ Dator, J. (2018). ‘Emerging Issues: Because of Graham Molitor’. *World Futures Review*, Volume 10, Issue 1.

Why do we use scanning frameworks?

Frameworks are applied to sets of drivers to ensure breadth of coverage, and to avoid blind spots. The one used in this project is known as STEEPL+V, which stands for the following seven spheres of interest:

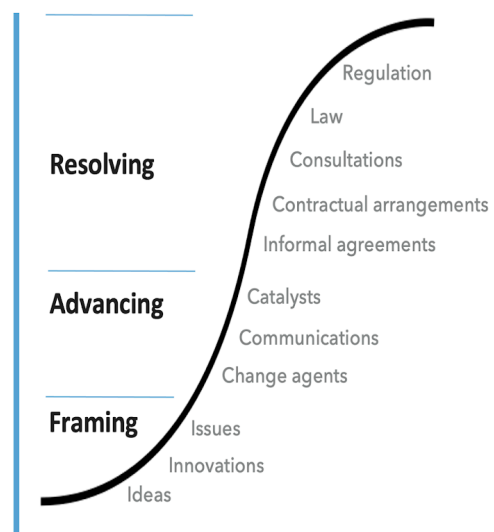
Social; **T**echnological; **E**conomic; **E**nvironmental; **P**olitical;
Legal/Regulatory; **V**alues

These spheres are not strict categories. Any given driver might fit into two or more of them. However, there is often a more obvious choice, as suggested by the 'system of interest' and project question. A good mix of the categories should appear in a successful scan, though some may be emphasised to reflect strategic priorities or concerns.

If STEEPL+V is a guide for breadth, Graham Molitor's S-curve model⁸ is a good guide for depth. We used it in this project to ensure that emerging things are not crowded out by more dominant and more visible drivers.

Molitor's curve has three phases, which are also somewhat fuzzy:

- *Framing*, where an idea has emerged but is still contested;
- *Advancing*, where the idea has taken shape, but is outside the mainstream; and
- *Resolving*, in which the idea is in the mainstream.



Adapted from Graham Molitor

Again, a successful scan should contain a balanced mix of these types.

Other scoping activities

The horizon scan was also shaped by a series of interviews and workshops with senior stakeholders. These allowed us to get a quick big-picture sense of the landscape that informed the investigation as it developed.

⁸ See e.g. Molitor, G (2010), "Timeline 22-Step Model for Tracking and Forecasting Public Policy Change", *JFS* 14(3)

The prioritisation process

How did we source the drivers longlist?

There are four main sources for the longlist of drivers.

- **SOIF drivers and signals database**
- **Driver decks designed for related landscapes**
- **Stakeholder suggestions**
- **Direct input via research and analysis**

SOIF maintains a database containing hundreds of drivers and signals, which formed the starting basis for this scan. The database is constantly updated on the basis of an ongoing and proprietary horizon scan process, which looks across a variety of sources: reputable news, academic research, white papers and 'grey literature', and other sources selected for their relevance to specific topics or themes of interest. Alongside this we looked at scans produced by SOIF for recent projects whose 'systems of interest' and central questions were similar to this one. We also asked LGA's LG2040 team about issues and trends that were relevant to the project.

How did we curate and reduce the drivers longlist?

We reviewed recent projects with a focus on the UK or England, and covered topics including health and social care, housing, mobility and infrastructure, and emerging technologies. Some drivers we reviewed reflected challenges or possibilities specific to the national social, political and economic context. In other cases, they represented the more local effects of global drivers already identified. We updated or discarded these based on submissions from LGA's LG2040 team, which also provided some new drivers.

Members of the SOIF project team used their practical foresight experience and specialist expertise to reduce the list and refine the drivers retained. This resulted in a list of relevant drivers, to be further refined in a series of workshops with participants drawn from LGA and its partners.

How were the drivers prioritised?

The use of in-system expertise at this stage of the process is vital. The final prioritisation requires a perspective that can only be found inside the organisation or sector where the research question matters.

The longlist was therefore further refined through two workshops, using a well-established process. Across two workshops, 46 participants from the LGA and close

partners were asked to pick drivers that seemed relevant to the project question, based on their own expertise and experience.

In their groups, participants were invited to pick one driver they thought would have a significant impact, as well as a 'reserve' driver in case their first choice was already taken, resulting in five drivers selected per group. In the second round, the groups were moved to another set of drivers, building on the work of their peers. From those not previously selected by the previous group, they decided on a further three drivers to carry forwards. In some cases, participants proposed new drivers, or reframed existing ones. When this happened, the new drivers were put into the final prioritised deck.

While the list of prioritised drivers is an important output, the scanning and prioritisation process provides lots of other valuable results. Throughout the workshops, SOIF facilitators captured rich insights as they were shared by participants. These stories, anecdotes and emerging visions provided the depth and connections needed to understand the drivers in context.

That understanding enabled the SOIF team to see relations and interactions between the drivers, and to cluster them on that basis. These clusters, along with the narratives and the prioritised drivers, formed the evidence base for the next step of the process: the development of a set of thematic system narratives that describe the landscape of change under exploration.

Discussion and evaluation

The quality of the prioritisation process can be seen in the strong similarity of results between the two workshops. A good number of drivers were prioritised in both sessions. At the same time, divergence between workshops is also valuable. Drivers that were prioritised in only one session represent important dimensions of the landscape that might have otherwise been overlooked.

Most groups prioritised a small number of drivers quickly and with little disagreement. We saw this across both workshops. In many cases, the first two or three selections were the first preferences of multiple participants. This agreement suggests that the big forces shaping the landscape are highly visible. It also shows they are agreed on by people from different perspectives.

This proved helpful for the next stages of discussions. After reaching early agreement on a set of drivers, participants were asked to look more closely at those left. These are the drivers which were less immediately visible or less widely agreed-upon. The discussions were wide-ranging and full of detail, with participants drawing their own connections between drivers. This showed they already understood the drivers as interdependent elements within a wider system. They did not discuss drivers as discrete or isolated things.

There was also early and direct engagement with the distinction between 'upstream' and 'downstream' drivers. This reflects the experience of people working within a local government context, where downstream impacts are often most acutely experienced.

In the words of one participant, "being on the ground matters". This shows the importance of lived, place-based experience in feeling, interpreting and understanding systemic forces. It has helped to shape the tone and substance of the thematic system narratives developed in the next stage of the project.

Stage 2: landscape and themes

The second stage of this project involved taking the data from the first stage and using it to describe a future landscape. This is the environment in which local authorities might find themselves working by 2040.

In this section we explain the logic behind the process of creating the landscape. This involved putting together thematic clusters of drivers based on the discussions in the prioritisation workshops.

We briefly explore a set of contextual drivers, which can be seen as external to the thematic systems. Then we introduce the five themes and their dynamic narratives in more detail.

- **A new deal for local places:** Increasing demand for statutory services will continue to drive financial pressures across local areas, unless there is a new underlying settlement.
- **Community value and wealth:** Current economic conditions will continue to weigh heavily on some local areas, unless new approaches build and retain local value.
- **Resilient localities:** Climate and resource pressures will continue to put strain on the systems that keep places working, unless resilience is embedded locally.
- **Trust and cohesion:** Shifts in media and public discourse will continue to reshape trust in institutions and wider cohesion, unless there is an adaptive response.
- **Connected spaces:** An ongoing decline of civic spaces will continue to affect belonging and support, unless social infrastructure is restored and strengthened.

We explain how the themes were each developed through the creation of a pair of causal loops. These then informed the positive and negative dynamic narratives. We also detail the workshop process by which the themes were tested and refined in discussion with expert participants.

Building the futures landscape

The prioritisation process was designed to transform the data from the horizon scan into a *landscape*: **a map of the possible circumstances in which English local authorities may find themselves operating around 2040.**

The landscape is a highly complex system. It needs to be simplified so that the most important issues can be brought into focus. This was achieved through a process of thematic clustering. The drivers were grouped based on the connections made in the prioritisation workshops.

The notion of themes of change derives from the work of Kurt Lewin. He argued that we should see social activity as taking place amid a set of interconnected but coherent social 'fields'.⁹ The five themes, therefore, should be understood as aspects of the same system. They are five different lenses, or subsystems, through which the overall landscape might be observed.

It is important to note that **the landscape is not a scenario, and nor are the individual themes.** Scenarios typically describe different future versions of the same world. A landscape, on the other hand, attempts to understand the potential for change within the future world. In addition, scenarios are a set of static pictures of the future, but the landscape is dynamic by design.

Contextual drivers

We identified a number of important contextual drivers that will shape the local government environment. In the futures literature, these are sometimes described as "those events that have already occurred... but whose consequences have not yet unfolded."¹⁰ These sit outside the five themes, and to a significant degree 'upstream' of them.

The contextual drivers are also interconnected. For example, **Ageing population** and **Living longer, fewer children** combine in their influence on the need for social care and our ability to finance it. Elsewhere, **Climate volatility** will lead to both flooding events and to heat events. **Geopolitical volatility** will create supply chain shocks, but both together are likely to cause **Food and energy shocks.**

These dynamics present significant challenges. But their abstract nature means that local authorities cannot address them at source. Rather, they express concretely as local impacts that emerge within and through the five thematic systems. This means we can

⁹ Lewin, K. (1951). *Field Theory in Social Science: Selected Theoretical Papers*. Harper.

¹⁰ Pierre Wack (1985), 'Shooting the Rapids'. Harvard Business Review, November 1985.'

evaluate these narratives by how well they describe the enabling or preventing responses to these contextual drivers.

Causal loops and dynamic narratives

The themes were each further developed through a pair of causal loops (See Appendix 2: Landscape Report for more details). These loops explain the formal logic behind the positive and negative dynamic narratives shown in the main report.

The loops were built off the back of the drivers clustered into each theme, plus drivers drawn from the contextual set where relevant. To build a positive loop, we looked at the drivers, and the discussion and anecdotes gathered during the workshops, and put together a story with 'causal plausibility'. This means not that the story as a whole is likely to happen, but rather that each step is believable as a consequence of the previous steps.

We started each loop from the base assumption of the theme, and ended with a step which would further feed back into the theme. In the positive loop, that final step should affect the system for the better, while the negative should affect it for the worse. It is important to note that the loops are not opposites that cancel one another out. In this case, the positive loop describes what could happen if positive action is taken, while the negative loop describes the results of inaction.

The loops and dynamics are not predictive, but prospective. This means they represent possible directions in which the thematic system might develop. This direction will depend on the actions taken (or not taken) by local authorities in response to the circumstances. The aim is to emphasise agency and to show how outcomes can be shaped. Even when the 'upstream' forces are beyond council control or influence.

In particular, we wanted to develop positive dynamics that point to a more hopeful future. These illustrate ways in which local authorities might be able to act and collaborate to improve conditions for their communities. These positive dynamics would form the basis for the hopeful futures narratives of the next stage.

The loops and dynamics were tested and improved in a further set of workshops attended by council officers, LGA team and partners. Participants added detail to the dynamic narratives. This included evidence of how they might already be showing up in specific settings. They talked about how technology plays out in each theme. They also looked at how challenges can vary based on different structures and economic situations.

The workshop discussions were rich, and confirmed that the themes could generate good conversations. Full detail of these conversations is captured in Appendix 2: Landscape Report. But the landscape that the themes describe is speculative, rather than predictive. It represents a range of possibilities, rather than a single definite outcome. So it was

important to avoid an overly fixed description of the themes. This way, there's space for interpretation and imagination in the next phase.

Stage 3: hopeful futures

The third stage of this project enrolled stakeholders in a creative exploration of the landscape themes. Participants worked together on a storytelling journey to imagine hopeful futures of local government to life.

hopeful futures workshop method

The workshops, which were held both online and in person, involved the following stages.

Understanding the landscape diagrams

Each group spent time with their assigned landscape theme to explore its positive loop, and began to ask how they might play out in actual places. For each step of the loop, they were asked to provide concrete answers to the question, “what might this look like in a local community?” Facilitators mapped the answers spatially using props (in-person) or a shared canvas (online).

Character creating and finding turning points

Each group then developed one or more characters, which they would use to find human stories within this world. By walking their characters through the spatial map from the previous steps, they found two or more ‘turning points’. These were hopeful moments in the character’s journey. The point where things start to change, which might raise an interesting opportunity for local government.

Storytelling

Each group picked a turning point. Then they developed a three-act story of a person experiencing that moment as it might play out in their imagined situation. The stories – which later formed the vignettes – were structured around a standard set of beats:

- **The want:** What does your character want or need and what makes this hard to get right now? What have they already tried, and why hasn't it worked?
- **The turning point:** What shifts or changes in how local government works for them? Who does the character encounter, and what's unexpected about that interaction?
- **The payoff:** What new outcomes or actions are enabled as a result? Who else is affected by this change and how?

The structure deliberately placed the turning point – and in particular a moment of human interaction – at the centre of the story. This was shaped to generate material for the future audio experiences. These will present a ‘fly on the wall’ experience of that transformative interaction.

Feedback

The workshops finished by asking every participant to reflect on the most inspiring idea or moment they heard during the session. They also shared one tension that they were still sitting with at the end of the day.

Post-workshop vignette and audio scenario development

After each workshop, the facilitators of each group wrote up the group's hopeful futures story. This allowed us to have two or three workshop stories dealing with each theme. The SOIF and Futurall team selected from the best workshop stories to develop into fully formed vignettes - with an eye for diversity, as well as for narratives that would be the most useful for local government stakeholders to engage with. In some cases, multiple stories were combined together into a single vignette.

What the process revealed

Foresight lands better when embodied and situated. Working with characters, places and turning points made abstract landscape diagrams feel real and motivating. It gave participants a way to test them against their experience of real communities and real places.

Hopeful narratives require analytical rigour as well as creativity. Maintaining hope means walking a fine line between optimism and plausibility. Stories that survived scrutiny from fresh eyes had a different quality of plausibility. The criteria used (hopeful and inspiring, grounded, offering opportunity for agency) were developed specifically for this project.

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Publisher:

The School of International Futures
Omega House
112 Main Road
Sidcup, Kent DA14 6NE
United Kingdom
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