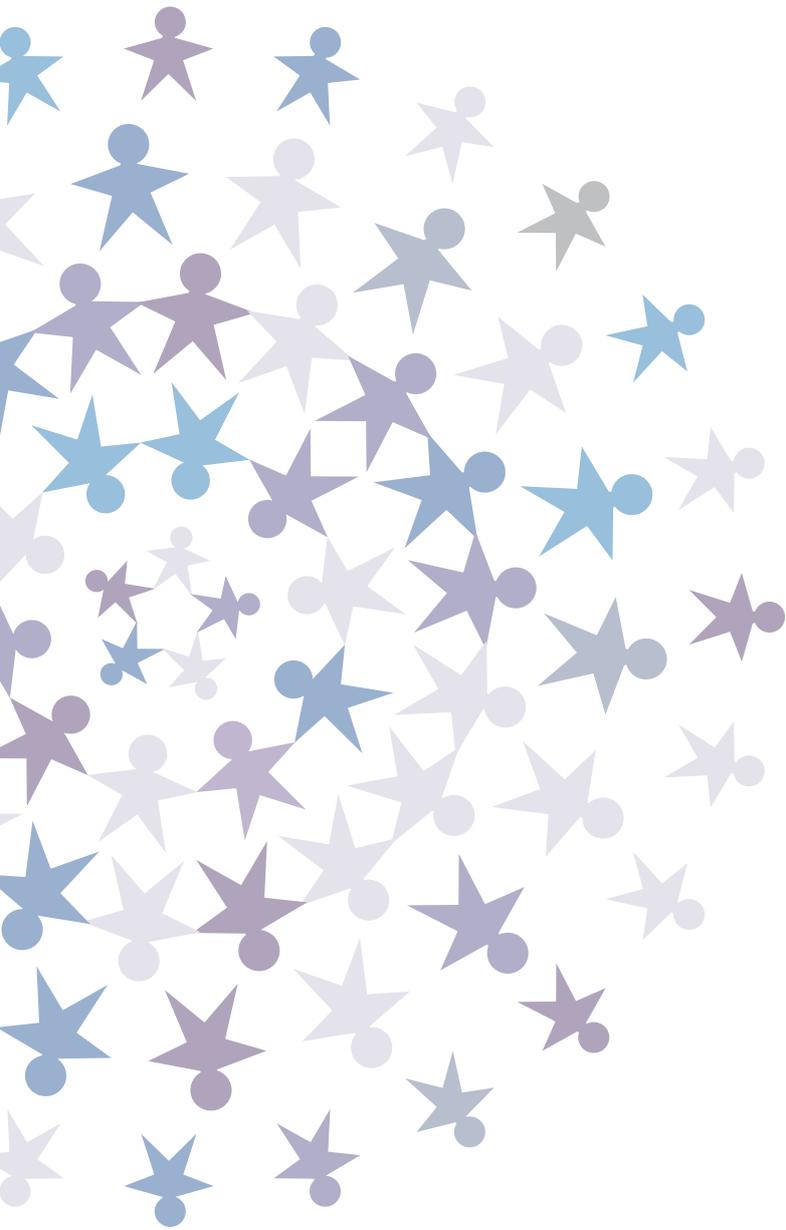


**THE
STAFF
COLLEGE**

PUBLIC SECTOR LEADERSHIP FOR CHILDREN'S SERVICES

Scenario Planning

A strategic process for those concerned
with the provision of public services.



Introduction

“Scenarios do not provide you with specific answers. Rather, they allow you to ask better questions of yourself, your plans and the actions of your colleagues.”

During the past decade, there has been growing interest in applying futures thinking, and particularly scenario planning, to some of the leadership challenges facing public sector provision.

Of course, we cannot predict the future but we are all aware of the many powerful drivers-of-change that will likely impact on our plans; growing demand, reduced resources, greater complexity of needs and so on. Scenario planning is seen as a useful tool to help those concerned with public services develop shared understanding of what is possible and how best to prepare for times of uncertainty.

Scenarios are practically used in a variety of ways, for example, to support workforce planning and workforce development, strategic planning, corporate planning, service redesign, learning and development and in

Working in a political environment

“The future is a very safe place to hold a conversation.”

If we have learned anything during the course of 2016 it is that some of the most influential drivers of change in the UK today and around the world are political in nature and yet public servants are often resistant to be seen as acting ‘politically’; with good reason. However, to recognise that we are working in political environments necessarily means we need to be acutely aware of the ebbs and flow of political decision making and understand their potential impact on services.

We know the relationship between state and citizens continues to change - moving away from public management to new forms of democratic participation often called public governance. Those concerned with public services are being asked to develop

new relationships with those they serve, relationships built on trust and enablement. In short, the rebalancing of rights and responsibilities has become a political imperative in recent years. This, in turn, will require a shift in leadership and management practice by those charged with delivering public sector provision. Scenario planning is a useful tool in bringing people with different, but equally legitimate, perspectives together to consider what needs to change both politically and managerially. Scenario planning is particularly effective as a strategic thinking tool for elected Members working alongside public service officers and others serving the wider community.

Complexity, leadership and scenario planning

“We cannot solve our problems with the same thinking we used when we created them.” - Albert Einstein

In times of uncertainty leaders often feel called upon to offer answers - a fix or at least a clear direction of travel. Of course, the problems we face in public services are not just complicated, they are complex and there are no simple, mechanical fixes when we work in the social complexity of human services. Again, scenario planning is a group activity that allows participants to reflect and consider the kind of leadership style that will need to be taken up in different contexts in the future; based not so much on personal style or even organisational position but on ability to take up the role of host, to broker and enable relationships, knowledge and ideas from a wide range of people. The following table sets out some of the characteristics and language used by scenario planners

Scenario planning thinking	Conventional public service/ policy thinking
Long range; decades or more	Short range; strategic, financial, political
Multi sectoral systems thinking	Sectoral “not my job” thinking
New modes of thinking and organizing societal activities, wide base of engagement	Reliance on the views of a small number of people
Complex social reality: difficult to perceive the big picture	Simplifying issues; political temptation to sell easy solution to the citizen / customer
Perseverance - abstain now	Short sightedness - prizes and satisfaction now
Visions: goals and value discussions producing them	Old ideologies from 20th century
Proactivity - “we make the future”	Passivity - drift into the future

What are scenarios?

Scenarios, or plausible futures as they are sometimes known, are story lines of multiple futures based on the relationship between different drivers-of-change and set in a particular point in time, usually ten, fifteen or twenty years ahead. Scenarios do not provide answers in themselves but they help us to articulate our concerns and ask better questions of ourselves.

Benefits of scenario planning in an organisation

- The workforce becomes more comfortable operating in a culture of change
- More resilient and confident strategic decision-making
- Clarity of wider organisational purpose and values
- Enhanced political intelligence when working with stakeholders with differing views

The Staff College Ten Step Scenario Planning Process: Principle Component Analysis



Definitions

- **Trend:** A series of events
- **Driver:** The underlying force that changes the long- term direction of trends
- **Scenario:** A story about how the future might evolve
- **Cues:** Individual key episodes or occurrences which might act as a trigger for change or can be viewed as examples of change.

Scenario Methodology

Scenarios can be built in a number of different ways. Two common approaches are categorised as normative and explorative. Normative scenarios start with an ideal and work back towards the present, whereas explorative scenarios follow a more inductive process. The Staff College process is based on an exploratory scenario process. The key steps are:

1. Scope, trust and permission

This initial stage involves research identifying key assumptions about the future and scoping the exact theme of the scenario planning process. Leadership buy-in to the process is critically important at this stage. Although there is no clarity yet around what the process will 'throw up', there needs to be commitment from leaders and participants to trust the process. The most frequently asked question at this stage of the process, is 'What is the work?'

2. Driver Identification

A bank of cues for change is then gathered creating a collection or grouping of drivers for change. These should include a range of social, technological, environmental, economic, political, legislative and ethical (STEEPLE) cues for change. The drivers should be succinct and indicate a direction of travel. For example,

'Demographics' is not an adequate description of a driver. A verb should be applied to provide a sense of movement and communicates the direction in which the driver is pushing the future, e.g. 'Shrinking workforce and ageing population'.

The drivers are then clustered and the relationship between the clusters explored. This often throws up hidden or less obvious cues or drivers for change.

3. Ranking Drivers by Importance

The drivers are put in order of importance. The drivers placed on the importance / uncertainty matrix are relative to one another, so while all issues may feel highly important, a natural hierarchy should emerge.

4. Ranking Importance by Uncertainty

The drivers are then ranked by uncertainty; whether or not the outcome of the driver is certain or uncertain. Stereotypically, demographic drivers tend to be fairly certain, whereas issues of technological advancement tend to be more uncertain. This is an important part of the process and will determine what drivers are used to form the scenario architecture (i.e. the 'critical uncertainties' and the 'predetermined elements').

5. Importance-Uncertainty Matrix

A matrix of drivers defined by importance and uncertainty is constructed. The purpose of this stage is to identify clearly the role the "key" or main drivers will have in the generation of the scenarios. That is, the 'critical uncertainties' in the 'scenario space' upon which the different futures will depend, and the 'pre-determined elements' in the 'forecasting space' which will feature in each of the different scenarios.

6. Roll-out of Key Drivers

The notion of causality is central to scenario building. We must understand the relationship between cause and effect to reach multiple, plausible futures. In this stage we begin to look at the relationships between the drivers and also to look for hidden drivers or 'cues', are they are sometimes known. At this point in the process we start to decide which drivers should be chosen to construct the scenario architecture.

7. Scenario Building

Here the strands that emerged are drawn together in the driver roll-out and, hopefully, you will arrive at two key drivers that are independent of one another. You can then use

the two critical drivers to create a 2x2 matrix that creates four distinct scenario themes. This is known as Principle Component Analysis. At this stage in the process, the scenarios should be a bullet point narrative, combined with a short description that encapsulates a sense of each future. Once you have created the scenario worlds and named them you should test the plausibility of the described world or scenarios by considering the question "how did we get to here?" and, through this, produce an event timeline which you can use to plot the main influential episodes which set the context for your scenarios.

8. Scenario Writing

In depth storylines are then written as descriptive narratives. Various literary devices are used to convey a sense that the scenarios are written from the perspective of the future (future-present language as it is sometimes referred to).

9. Scenario Testing

After drafting the scenario sketches, we test for a number of factors against the evidence, views and assumptions collected thus far: -

Plausibility: How believable are your stories?

Internal consistency: How logical are your scenarios? Are there any 'leaps of faith', where the data doesn't support your scenarios?

Surprise: The scenarios should contain an element of surprise that should capture the reader's attention.

Gestalt: How do the scenarios look on an overall level?

10. Immersion

One of the most important aspects of the process is to immerse groups of people within each scenario and prompt them to think about what the realities of living and working in that world might be. A number of prompts can be used to immerse groups in the worlds so they think about what would need to happen, what near term change would have to be effected in order to either avoid or more towards any of the world-views described in the scenarios.

Practical application of the scenario planning

Using our ten step scenario process, the Staff College has developed a range of workshops, materials and services, to specifically support Local Authorities and partner organisations in using scenario planning effectively.

Demonstration workshops; The College offers a one-day demonstration workshop to learn about scenario planning, how it works, the benefits and how to facilitate a basic scenario planning process. This will include a short amount of time to explore potential scenarios pertinent to your particular organisation.

24 hour or two-day scenario planning workshops; as part of its ongoing commitment to developing the leadership capacity of those involved in the provision of public services, the Staff College offers an in-depth 24 hour or two day scenario planning workshop that blends scenario planning theory, emergent leadership practices and the construction of a live scenario planning process.

Our workshops are always co-designed so that they are delivered and facilitated according to the specific set of needs identified by the commissioning organisation. Workshops can also explore emerging ideas around systems leadership and the relationship between the citizen and the State, as critical context for developing scenarios.

“Living in Herefordshire in 2025” (Example)

Example scenario storylines from a recent one-day process with Chief Executives and Lead Members for Children’s Services.

The purpose of the one-day workshop was to explore, debate and discuss ‘Living in Herefordshire in 2025’. Using scenario planning as a tool, participants were asked to consider possible plausible alternative futures for public services in Herefordshire. As preparation for the workshop the group members were asked to think about ‘cues’ for change and the 12 attendees used this pre-work to inform the design of their scenarios.

Constructing Importance - Uncertainty matrix



Roll out of key drivers (identify critical uncertainties)



Scenario framework through causality



Emerging Scenario key characteristics



Drivers-of-change

“The drivers are ranked by uncertainty; whether or not the outcome of the driver is certain or uncertain. This is an important part of the process and will determine what drivers are used to form the scenario architecture (i.e. the ‘critical uncertainties’ and the ‘predetermined elements’).”

Social	Technological	Economic
<p>Changing demographic.</p> <p>Large scale immigration to address aging population changes social norms.</p> <p>Fear of attack makes it acceptable to have army replace police.</p> <p>Health – people are living longer – it’s not a problem it’s part of the solution.</p> <p>75% of child sexual abuse appears within families.</p> <p>Ageing population.</p> <p>Medical advances.</p> <p>Children spending free time on gaming/social media as opposed to sport.</p> <p>Increased economic divide between old and young Protecting benefits for elderly and reducing pay for young Models for care delivery changing; personal budgets etc. Better understanding of flu pandemic.</p> <p>Increase instances of terrorism.</p>	<p>Technology wipes out most low paid jobs in most sectors.</p> <p>Enabling better care for dementia.</p> <p>The internet of things.</p> <p>Increased information / data held on individuals.</p> <p>Telehealth care viable in rural areas.</p> <p>Reshaping conventional organisational form, e.g. middle management and administration Open society, open data.</p>	<p>Social divide based on poverty indicators.</p> <p>Private companies may agree to fund Herefordshire Council Services because they share a logo.</p> <p>Reduction in pension values. Local taxation for single issues. Private sector pay increasing by 3%.</p> <p>Reduction in support for green energy – increased reliance on gas and nuclear.</p> <p>Receipts from businesses will fund council services – such as potholes and social care.</p> <p>Stock market peaks.</p> <p>Global recession/ deflation UK credit status lowered from AAA NHS no longer free at point of delivery.</p> <p>Reduction in welfare payments Restraints on transport and power supplies due to pollution concerns.</p> <p>People lose confidence in uber Another financial crash fuelled by high levels of household debt.</p>

Environmental	Political / legislative	Ethical / moral
<p>Antibiotic resistance widespread Bird/Asia flu pandemic</p> <p>Increase in global warming</p> <p>Waste seen as an economic asset</p> <p>Severe weather events increase Warmest November on record Failing antibiotics</p> <p>Food production - the ability to artificially grow meat.</p>	<p>College/post 16 area review is voluntary</p> <p>Landslide victory for Corbyn - principled leadership suddenly feels fresh</p> <p>Internet is the doorway to simple yet profound terrorism</p> <p>Not enough academy sponsors to deliver new school places</p> <p>Social unrest from anti-immigration policy</p> <p>Curbs to public sector executive pay drives talent/ambition away National government ceases all funding for local services Merging of councils at sub regional level</p> <p>Caliphate established and recognised by UN</p> <p>White paper taking education away from local authorities into a regional machinery.</p>	<p>Same sex marriages, children undergoing transgender treatment etc.</p> <p>Pensioner commits suicide following charity demands Growth in religious activity / fundamentalism</p> <p>Support grows for euthanasia</p>



Critical Uncertainties

“The notion of causality is central to scenario building. We must understand the relationship between cause and effect to reach multiple, plausible futures. In this stage, we begin unravelling the future, i.e. ‘rolling-out’ the ‘critical uncertainties’ - the highly important, highly uncertain drivers that occupy the ‘scenario space.’”

The group were introduced to the scenario planning matrix tool which aimed to identify two axes for change (identified by cues and considered to be the most important and the most uncertain in terms of impact) which would generate four possible scenarios.

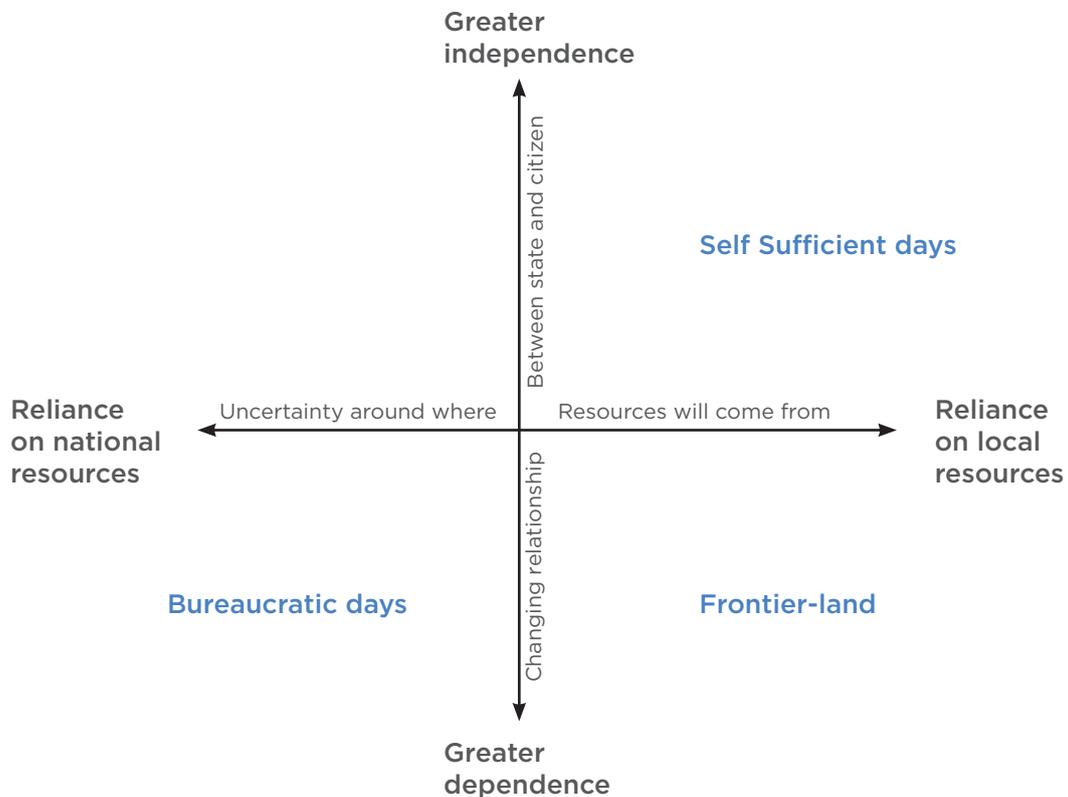
Potential options and possibilities in terms of citizen capital were explored when looking at each scenario, utilizing the “if we did this, what might happen” line of questioning. It was stressed that scenarios should be based on plausible possibilities i.e. using the “balance of probabilities” rule and not forecasting. The team members were asked

to consider the compelling public narrative they needed to develop as a Council if the move to support community resilience was to be achieved.

“A matrix of drivers defined by importance and uncertainty is constructed. The purpose of this stage is to identify clearly the role the key drivers will have in the generation of the scenarios. That is, the ‘critical uncertainties’ in the ‘scenario space’ upon which the different futures will depend, and the ‘pre-determined elements’ in the ‘forecasting space’ which will feature in each of the different scenarios.”

“Here the strands that emerged are drawn together in the driver roll-out of 4 scenarios. A natural theme may emerge in the roll-out that may guide this process or a bifurcation may appear that leads to different endpoints. This is a more inductive, complex way to create scenarios.” The framework above is based on the interplay of two key drivers (critical uncertainties).

Critical uncertainties - principle component analysis



Developing the scenarios

Participants then split into three groups. Each group exploring one scenario space; **'Self Sufficient days', 'Frontierland', and 'Bureaucratic Days'**. The groups were challenged to name their scenario, describe the main characteristics of the scenario from international, national and local perspectives and undertake a persona exercise, describing the experience of engaging with the Council in 2025 from the perspective of users of services.

'Self Sufficient Days' sketch (2025)

Global lens

The world economy has shifted the power base to unaccountable businesses – with influence of democracy reducing high migration to UK and EU as a result of global conflict. However, nowhere seems safe with cyber and physical attacks a daily event. High on the agenda is keeping people safe, but increasingly difficult to control. Fear of travelling is having a significant impact. Global health outbreaks seem to be a regular thing and finding it difficult to pre-empt what will be next. Also, pharmaceutical companies have increasing control and can set the rate on paying for medicines. NHS has pulled back to essential services, with optional top-up services paid for via insurance. There has been another major economic crash, with the China economy suffering the most which has had a major effect on dependents including China calling in the US debt. South America and India are on the up economically. There is an information free-flow about people, and it is accepted that businesses will know everything about you.

UK lens

There is low level of government funding, high level of local funding. The UK is out of the EU – actually the EU is in freefall with major terrorism attacks on EU buildings. Attacks over the last 9 years have had an impact on travel across Europe. Actually the UK has seen fewer attacks than other European nationals with the result of the UK seen as a safe haven. The Channel Tunnel

is still being rebuilt since the bombing in 2021. Even though not part of the EU, seeing strong collaboration between European nations with single intelligence agency linked to United Nations which is starting to have a positive impact. National government takes responsibility for legislation on rights and responsibilities. There are no more Lords. No national government funding to local areas, with all but hospitals and police funding held centrally (since Drs and Police disputes of 2018 to 2020). People are dying younger than the previous generation for the first time. Euthanasia legalised passed 2020 with a network of assist to die centres springing up.

Local lens

All services (apart from Hospitals and Police) are devolved to local county partnerships that operate as social enterprises – they are governed by 7 elected members who serve on a cabinet. The partnerships are accountable to regional mayors. There is a strong focus on locally run services and shops as can no longer rely on national infrastructure. There is urban depopulation to rural towns as cities are at risk of attack. Individuals and communities can purchase top-up services – though there are local charity funds to help people who cannot pay when they need services (applied for via a welfare panel). People are expected to volunteer time to support their community for a minimum set number of hours per week, although often people will do more as part of a strong culture of social responsibility and doing things for themselves.

Living in the 'self sufficient days' (2025)

Tom is 73 years old, lives in his own home a few miles outside Kington. He has no local family but a cousin in Cambridge. He has early stages of dementia, heart disease and high blood pressure. He therefore needs continuing care. He likes living where he does, and does not want to move. He can drive and has a car, but after a few near misses is getting a bit nervous about driving, especially at night and in bad weather. However, he is on limited income (though has some capital in his home) so has rented part of the house to a young family. This provides an income and some company –

they also keep a bit of an eye on him and he will take their dog for a walk during the day. He no longer travels out of his immediate area as worried about terrorism. However, he finds that he has what he needs in a 20-mile radius with lots of local shops and services springing up as more people seem to want to live away from the big cities (like the young family that now live with him).

He is registered for well-being services. This is a combination of opportunities and services that consider his whole care. He has a community well-being contact (Liz) who he will contact if he needs some advice or has an issue – usually via snapchat. He self-monitors his health every day and has learnt to “read the signs” if he needs to rest, take specific medication or needs to see his GP (which is rare these days). The self-monitoring test (via his smart phone reading an implant in his arms – which also tracks is whereabouts) and even gives a guide on what sort of mood he is in and will recommend activity. He regularly volunteers linked to his “deal” for well-being services. This includes helping out at the community lunch once a week. Tom has also elected for euthanasia at a point when his health makes him dependent on others – which is certainly not what he wants, but thinks it might be soon.

Support received from the local authority: Foster local arrangements for the wellbeing service. Joint venture in the “Herefordshire Community Support Trust” to address the whole needs of the person – coordinated services across education, health, safety. Use data to find out who would benefit from the well-being service making sure people do not fall between the gaps. Promotion and training on self-monitoring. Charge for elements of the service – e.g. negotiate on the tenancy agreements and counselling services for elected euthanasia.

‘Frontierland’ Sketch

International lens

Health provision has become increasingly privatised and insurance based even in those countries where there has traditionally been public provision like the UK. Much more of a shift to private funding and individual responsibility in terms of funding health and older age. Skills shortages have become

a world problem as the ageing population in large parts of the world becomes more dependant and younger people with appropriate skills are at premium. The European Union has seen a number of countries leave, the United Kingdom being the first. International border controls have significantly tightened so there is less migration putting greater pressure on essential skills to drive economies and support of older populations. The world has become more dependent on multinational businesses like Microsoft who are prepared to act as philanthropists to address health and economic issues as opposed to national governments having the funding to deal with these matters

National lens

In the UK the NHS will have been broken down. There will be no national equal health distribution. There will be more local health economies this will be reflected in a resurgence of regional and federal governments at local levels and there will be a significant shortage of skills in the UK as international boundaries are tightened and the population ages. The UK will be more isolated from the rest of the world and more inward looking. Public sector funding will continue to be at a premium and the public sector will be targeted on a limited range of services. Public services will be, almost entirely, digitally delivered in terms of public interface with very little face to face contact with the public. There will be some devolution of taxation to local areas including business rates.

Local lens

Locally there will be a single public service model delivering a very limited and targeted range of services. A range of services like the funding of libraries currently delivered by the public sector will be delivered by voluntary sector through community groups, parish councils, trusts and individuals. Local businesses will be engaged in philanthropy to support individual progress/services. Herefordshire will be part of a broader West Midlands region for strategic services like health, school transport and economic development.

Living in 'Frontierland' (2025)

Janet and John have 3 children under 16, 1 of whom is autistic. They are living with 2 of their aged and widowed parents (John's mother, Janet's father). The household of 7 individuals over 3 generations all lives in a single house. It is a big building, but the family still experiences significant overcrowding. John runs his own car repair business, but this is struggling due to the weak economy – the Hereford bypass was never built. Janet used to work in the business, but had to stop in order to care for their parents and autistic child. There are few workers available in the labour market, as immigration from Europe has stopped. There is lots of low paid work available, with few people to do it, and there are even fewer skilled workers in the market, such as the mechanics needed by the business. John is therefore working ever longer hours in order to keep the business afloat. The pressure is leading him to indulge in excessive drinking and he is starting to suffer from mental health issues. The business cannot pick up without significant new investment, which the family cannot afford, even though they long ago stopped going on foreign holidays. The prospects are not good and everyone in the family is worried about the future. The two able-bodied children help with the business and in caring for their aged grandparents, because the family cannot afford to pay for much respite care. This means that they have limited time available for their education, or for wider social activities.

Local Authority support Public services are largely delivered at the level of parishes and the market towns, with strong local mayors responsible for coordinating a range of services. Health services are largely reliant on privately run GP surgeries, where demand and cost pressures mean that most contact is virtual and the first response is to direct people to online exercise videos and advice on self-care on YouTube. The education system has become much more flexible, with schooling available 'on demand', again much of this being delivered through online videos and materials. There is a strong emphasis on vocational skills and citizenship. Beyond this, services are provided through a single regional organisation, responsible for the full range of functions, including police, fire,

health and local government. Most of these services are chargeable, so families access them only when absolutely necessary. Otherwise, they have to rely on their own resources and on their local community connections.

Bureaucratic Days

National lens

Severe weather events happen frequently Health epidemics have been experienced causing significant loss of life and long term medical illnesses Long period of static/low economic growth blamed on international events. Used to underpin the long term narrative of paying for services, unaffordable state services National health and care service is delivered regionally with expectation to pay for health and care. Care. Defined acceptable eligibility parameters – compliance will be a determinant of eligibility e.g. Requirement for healthy living to then be entitled to health care Increased immunity to medicines National police force focused on critical events Borders strengthened. Limits on movement including evidence required to move between Scotland, Wales, England, Northern Ireland National ID card in place Regional governance within England. Role of local authority subsumed within regional decision making or bypassed. Minimal voting in local elections Accepted limits on freedom and accepted wide ranging surveillance measures in place National level of devolution – Scotland, Wales, Northern Ireland, England National education curriculum and system of accountability with no local engagement in how schools and colleges are run. If want choice then private sector is available and accepted alternative. Emphasis on employment and “business skills” Increased energy costs National contracts for delivery – under auspices of economies of scale National contracts for energy, recruitment, property development for any state coordinated services Mandatory national pension scheme Expected to save for and pay for top up for services beyond critical level of need.

Living in Bureaucratic Days in 2025

Granny Works part time at the local shop. Volunteers in local community looking after the old folk. Has savings and feels independent. Is supported by mum and dad

and others in local community but doesn't feel this herself. Sees herself as helping mum and dad with their housework than them helping her.

Children Are learning a nationally prescribed curriculum which is geared solely to employment, though the things they are learning do not appear to them to be matching what they see as the world of work. They are learning through a number of electronic means, which are coordinated by their school, college and teachers. They take part in leisure and volunteering activities which generates credits for the family. They aren't sure really what this is all about but get some spending power as a result from Mum and Dad.

Mum and Dad Have taken out own insurance scheme for their future in old age. "Building their pot" - to access more than state safety net will provide. Recognise that at the moment they have less disposable income than they feel they should have given they both work, but grudgingly put this down to prudent planning if they want levels of service. They therefore are feeling poorer as demands from children and from Granny grow. Dad perceives he is losing access to state benefits/support because he is saving. The family have taken up the recent credit scheme, which generates credits for health and care services in the future through the use of leisure services and taking part in "voluntary" activities to support people in the local community. Credits are generated via their individual id cards which are compulsory. This is the way of the world, but mum and dad are feeling disempowered, disengaged, unable to effect decisions which are pushing costs onto them.

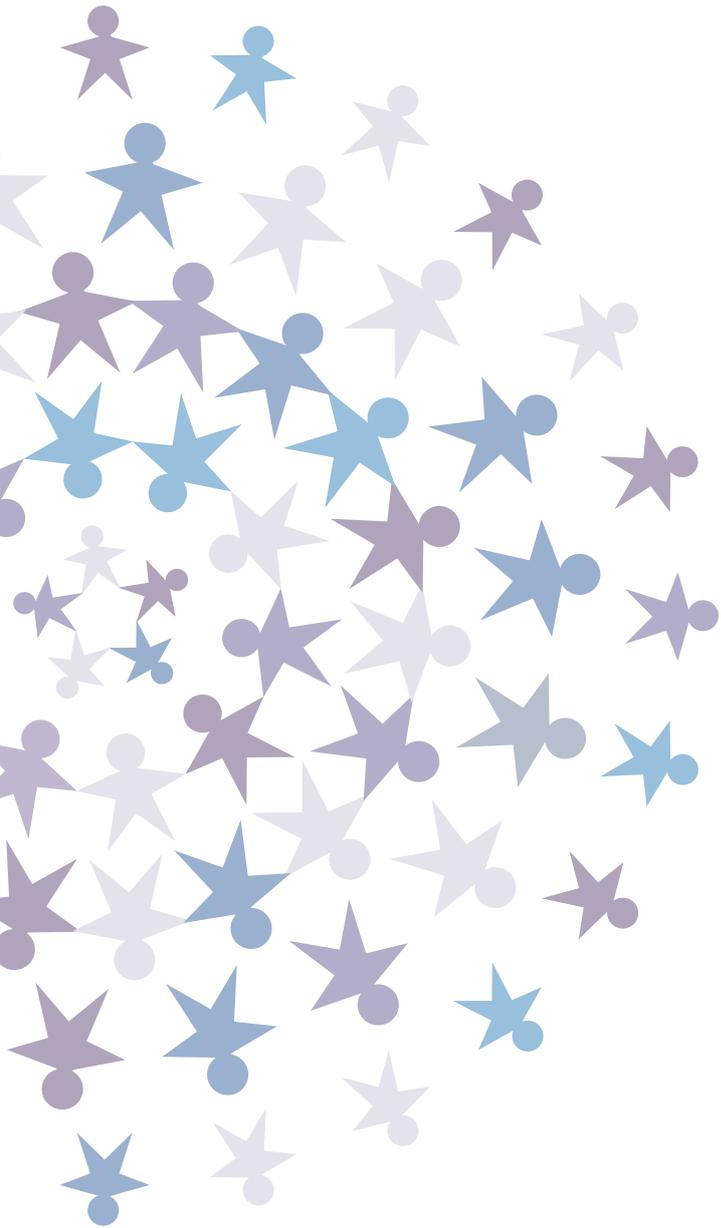
Post workshop

Delegates were challenged to immerse themselves and their teams in each world to think about the following questions:

- What do you like and dislike about each world described?
- Which of the scenarios seemed most plausible?
- Which of these worlds do you think our community expects us to be planning for?
- What actions are now required by the following groups if we are to achieve or avoid any elements of the world views described
 - i) Government
 - ii) Children's services
 - iii) Community groups
 - iv) The business community.







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