[CLIENT LOGO]

Value Case for [Business, Programme or Project]

[Cost Savings / and
Avoided Costs (budgeted/unbudgeted) / New/Enhanced
Revenues / New/Enhanced Asset Values]

REPORT

Version [No.]

[Date]

Assured
Outcome
Delivery

Title	Value Case for xxxxxxxxxxxx Programme
Author	
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Approval	Role

Review	Role

Change History	Date	Author/Editor	Detail of change
Draft A			
Draft B			
Version C			
Version D			

Assured
Outcome
Delivery

CONTENTS

1. VALUE

1.1 HEADLINE VALUE

This exercise using Assured Outcome Delivery techniques finds that the (presently undiscounted) value of cost savings in the [PROGRAMME/ PROJECT TITLE] is **£000m** over the period of the programme [FIN YEAR OF ROI PERIOD COMMENCEMENT] to [FIN YEAR OF ROI PERIOD CONCLUSION].

The headline figure is made up of:

[PRIMARY GROUP OF CashPoints 1 – e.g. headcount]   £00m

[PRIMARY GROUP OF CashPoints 2 – e.g. maintenance]   £00m

[PRIMARY GROUP OF CashPoints 3 – e.g. accommodation moves]   £0.0m

[ETC]   £0.0m

[Note that these figures are confined to bottom-line savings. They exclude new revenues and [OTHER POSSIBLE] costs that will be covered under [ANY OTHER VALUE CASES e.g. New / Enhanced Revenue; New / Enhanced Asset Value]. The savings shown here are [ANY QUALIFICATIONS].

1.2 SUBSTANTIATION

This value is the sum of [NUMBER OF CPs] *CashPoints*. Each CashPoint is a cash flow event that is expected to be observed by a manager on a specific date at a specific location and in a specific context, usually in the course of routine examination of a regular report.

[NUMBER] further CashPoints were identified which, on detailed investigation, were set aside. Their value was either not attributable to the Transformation Programme or was *de minimis*. They are tabled at Appendix [C].

The value flashpoints that sum to the Value Case are as follows:

	CashPoint	Highest Possible Value	Lowest Possible Value	Best Estimate	Factored Estimate
1		00.0	00.0	00.0	00.0
1		00.0	00.0	00.0	00.0
2		00.0	00.0	00.0	00.0
3		00.0	00.0	00.0	00.0

	CashPoint	Highest Possible Value	Lowest Possible Value	Best Estimate	Factored Estimate
Etc.		00.0	00.0	00.0	00.0
	Sub-total:	00.0	00.0	00.0	00.0
4		00.0	00.0	00.0	00.0
5		00.0	00.0	00.0	00.0
6		00.0	00.0	00.0	00.0
Etc.		00.0	00.0	00.0	00.0
	Sub-total:	00.0	00.0	00.0	00.0
7		00.0	00.0	00.0	00.0
8		00.0	00.0	00.0	00.0
9		00.0	00.0	00.0	00.0
10		00.0	00.0	00.0	00.0
Etc.		00.0	00.0	00.0	00.0
	Sub-total:	00.0	00.0	00.0	00.0
11		00.0	00.0	00.0	00.0
Etc.		00.0	00.0	00.0	00.0
	Sub-total:	00.0	00.0	00.0	00.0
Etc.					
	Sub-total:	00.0	00.0	00.0	00.0
	Total:	**000**	**00.0**	**000.0**	**000.0**

The sources of data and the estimate calculations for each are shown in the Transformation Programme's CashPoint Table which is available as a separate document. Inspection and challenge is welcomed at all stages of the programme.

1.3 REALISM AND ACHIEVABILITY

Unlike traditional valuations in business cases, the individual estimates of each CashPoint that sum up to the overall headline figure are *possible, probable* and *realistic.*

Possible

It is not uncommon for traditional business cases to have benefit values which, with probing, are revealed to be impossible to gain; for example, savings in excess of total expenditure. Each estimate in the process used here lies between the upper and lower limits of possible values, shown in the tables as the Highest and Lowest figures.

Probable

In traditional business cases the estimates are often produced by one individual with no record of how they were arrived at. The Best Estimates in this value case have, wherever possible, used multiple sources and discussions with informed people. The method and sources are summarised in the Transformation Programme's CashPoint Table.

Realistic

Best Estimates often overlook historical and known risks and include double-counting benefit contribution from other initiatives. In the method used here the Factored Estimate which sums to the headline figure takes into account risk of non-achievement and double counting. The objective is to produce an estimate that is as likely to be exceeded as undershot, and for known reasons.

2. ASSURANCE

2.1 MAKING THE VALUE CASE HAPPEN

Each CashPoint will be related to the delivery of specific dated events. These *show-me events* will be those that managers will recognise in walking the floor which will prove to them that their expectations of the programme have been met.

Show-Me Events (SMEs) can include changes in behaviours as well as new roles, meetings, processes, technology and communications. They may or may not be quantitative but their achievement is always binary and incontestable.

The Transformation Programme's Show-Me Events Table is available as a separate document.   They will be mapped to CashPoints in order that the progress and risks to the Value Case can be tracked by Finance.

2.2 USAGE OF SHOW-ME EVENTS

The list of show-me events will become appointments in managers' diaries, goals for change management and a key input for backcast planning. When they are confirmed by walking the floor and inspection it is considered that the achievement of the CashPoints is certain, notwithstanding any other factors that would otherwise obscure achievement.

3. SUMMARY AND ACHIEVEMENT

3.1 SECURING THE VALUE

Using the show-me events to manage change

The show-me events will be used to complement change management. Communicating specific and personal events to staff impacted by the changes helps to steer BAU activity towards the goal of the programme and the achievement of the CashPoints and the Value Case.

Using the show-me events in planning and management

The show-me events will also be used in *right-to-left planning* to confirm that the forecast plans are the minimum necessary to achieve the value. This part of the process ensures that the whole plan focuses on achievement of the show-me events and Value Case. As in lean engineering and agile approaches, effort is confined to the achievement of managerial expectations and the organisation's objectives for the programme.

Tracking the achievement of the Value Case

The CashPoints and their accompanying show-me events will be cross-referenced against the risk in the programme risk log. This will enable the Transformation Programme benefits control process to be able to monitor and answer two key programme management questions during the transition:

1. "For *n* value CashPoint, what is the sum of the risks that are impacting its achievement?"

This can be used to give early warning of expected variation from the business case. With the Bias-Free method of estimating the estimates are as likely to be exceeded as undershot.

2. "For *y* risk, which CashPoints are affected by it?

This can be used to give an indicator of the benefit value that is at stake if the risk is not managed, avoided or removed.

3.2 TRANSPARENCY

At any point from this Report onwards the Value Case is transparent to anyone wishing to investigate it. The basis of the value, the calculation of the estimates and the source of the data is always available for inspection, drill-down and challenge.

APPENDIX A

Transformation Programme

Show-Me Events Table

APPENDIX B

Transformation Programme

CashPoints Table

APPENDIX C

CashPoints:-
Identified in Transformation Programme but not attributable to it
OR
de minimis

APPENDIX D

ROI CONNECT TABLE
(Show-Me Events to CashPoints)