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# GOVERNANCE INTERNATIONAL

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## BUSINESS CASE GENERATOR

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## PROPOSITION:

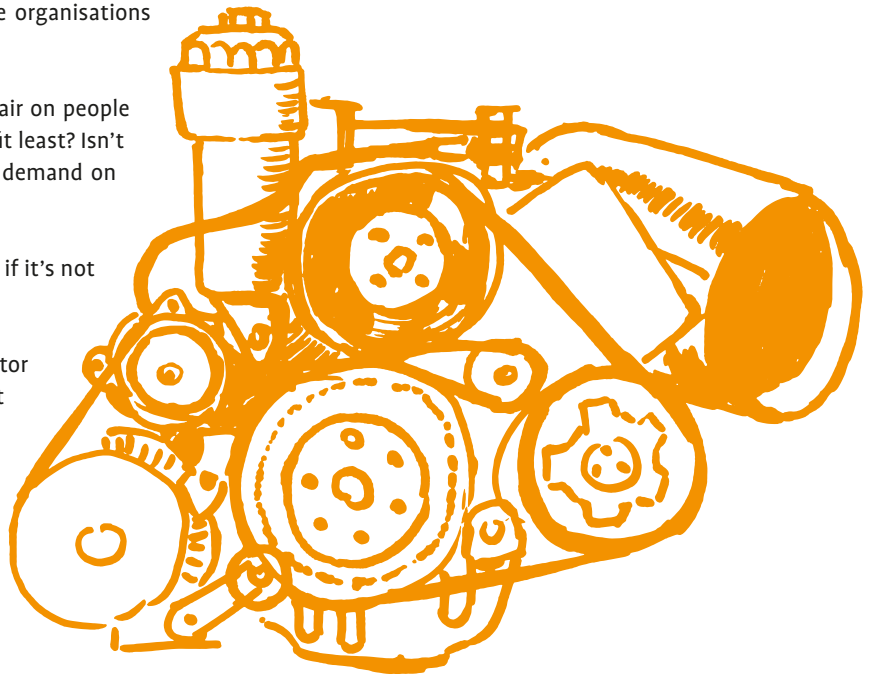
### WE NEED A BUSINESS CASE FOR CO-PRODUCTION – NOW!

Everyone's talking about co-production. And some organisations are even rolling it out.

However, there is general fear – will it work? Is it fair on people who use services? Won't the most vulnerable benefit least? Isn't it risky? How much will it cost? And will it reduce demand on services?

These questions need to be openly addressed, even if it's not easy to answer them.

The *Governance International* Business Case Generator helps organisations to find evidence and present it in a convincing way.



### WHAT'S IN THE BUSINESS CASE GENERATOR?



**1.**

Scoping



**2.**

Outcomes



**3.**

Benefits



**4.**

Costs



**5.**

Who  
benefits,  
who pays?



**6.**

Asking  
'what if?'



**7.**

Co-assessing  
the business  
case

## HOW TO MAKE YOUR BUSINESS CASE



### 1. SCOPING

**WHO is going to do WHAT with WHOM and WHERE and WHEN?**

Example: Initiatives have to be thought through, so there is clear picture of what they will mean in practice – numbers of different groups of people, level of input staff in public, private and third sector organisations, inputs by service users and other citizens, etc.



### 2. OUTCOMES

**WHAT are the KEY OUTCOMES desired by WHOM (there may be multiple views on this)**

Example: Co-producing 'A Better Winter 2015' – is the initiative to create HEALTH? Or to reduce LONELINESS? Or simply to reduce admissions to hospital?



### 3. BENEFITS

**WHAT STORIES OR ANECDOTES OR FACTS reveal how much service users, carers and/or other citizens feel better off from the initiative?**

**What NUMBERS can you give to point this up more clearly?**

- NUMBERS that reveal how much the beneficiaries CARE about these benefits
- NUMBERS of beneficiaries likely to feel that way

Example: So the park has more visitors? How much do they care? What does it tell us that 5 local people turn up to the monthly 2-hour litter picks, 20 are prepared to do once-a-week morning Dog Pooh Patrols and 40 act as wardens from 4–6 every day to keep the play area safe for their kids?



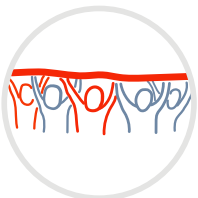
### 4. COSTS

**WHAT FINANCIAL COSTS are borne by each stakeholder (and what did they pay before)?**

**WHAT NON-FINANCIAL COSTS are borne by each stakeholder (now and before)?**

**HOW MUCH TIME do citizens put into the co-production initiative?**

Example: Public sector costs of organising a befriending service are typically about £80 per older person.



### 5. WHO BENEFITS, WHO PAYS?

**Who gets what and who gets hit for the costs? HOW MUCH BETTER OFF is each stakeholder in NET terms (benefits minus costs)?**

Example: Will the 'Britain in Bloom' application for the neighbourhood actually only tempt better-off households to improve their gardens, so all that work from Council Neighbourhood Wardens and the Neighbourhood Forum will not benefit the most disadvantaged areas?



### 6. ASKING 'WHAT IF?'

**No business case ever has hard-and-fast evidence – so it needs to be easy to vary the inputs and see what happens to the resulting judgement ...**

Example: Great if we can get 5 people from each of 12 residents associations in the neighbourhood to do a weekly one hour Street Patrol – it can cover whole area, deter wrongdoers and identify litter and street problems that need to be tackled. But what if it's only 3 people each from 5 residents associations?



## 7. CO-ASSESSING SOCIAL VALUE AND SOCIAL RETURN ON INVESTMENT

... and all findings need interpretation, so that there has to be an interactive process of discussion and reworking of the business case, making it better together. In particular, we need to identify what the **benefits and costs** mean in terms of social value and social return on investment.

Example: Public sector costs of organising a befriending service are typically about £80 per older person per year... but savings could be £35 in the first year alone because of reduced need for treatment and support for mental health needs. But then what about the **VALUE** of the friendship? And what about the benefits to the older person's family and neighbours, in terms of less worry? We need to make sure that decisions take into account a wider understanding of the social value created.

## NEXT STEPS?

Talk to us about how we can help you make your business case.



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