



# Cabinet Office Grants Efficiency Function

Supporting you to deliver business case sign-off

11 November 2016



Building a better  
working world

# Our understanding of your challenge

**You have made excellent progress in your work to improve the management of some £130bn of grants distributed by Government annually.**

- The grant-making centre of excellence has been stood up, you are developing improved grant-making standards and the Government Grants Information Service database has been deployed

**Though imperfect, the GGIS data has helped you identify areas for improvement and financial savings.**

- Examples include duplication, large round number or multi-year payments, processes lacking competitive bidding or evaluation

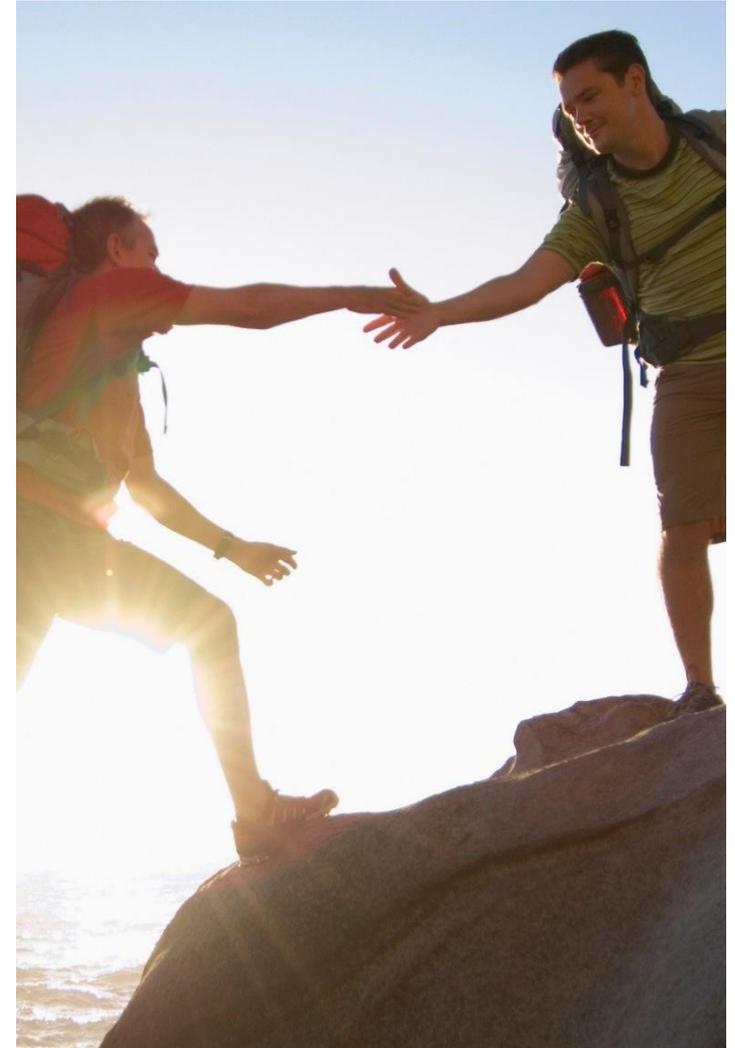
**Your preliminary findings suggest that working with Other Government Departments will yield significant cash savings**

- There are indicators of where incremental savings can be made across the £130bn
- There are clear indicators of fraud or underspend
- You have working hypotheses on the systemic changes needed to be delivered across Government to make a more transformative change

**Your desired outcome from this work is:**

- A 5-6 page MS Word Grants Efficiency Function business case
- A PowerPoint annex summarising findings and options for how to realise opportunities (eg, delivery route, resource estimate)

**You are to present the business case to *REDACTED*, Chief Executive of the Civil Service, on 1 December 2016.**

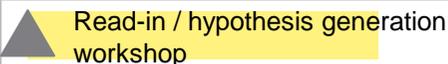


# You have 3 weeks to deliver a business case that sizes the cashable savings opportunity and outlines your preferred option

Based on our discussions, we understand that there are three main activities you need to undertake

Activity	Deliverables supported
<p><b>1. Strategic analysis of the GGIS data set and model</b>, to review of the GGIS to identify potential risk and opportunities by department and across Government. Support the <b>REDACTED</b> to visualise this data in a way that is used as the basis for further discussion and development in an opportunities assessment workshop.</p> <p><i>Note: You plan to engage Government Departments during the week of 21/11.</i></p>	<ul style="list-style-type: none"> <li>A short list of the highest risk / opportunities for validation with Departments</li> </ul>
<p><b>2. 1-day opportunities assessment workshop</b>, to develop, consider and evaluate options addressing the opportunities identified at Step 1 and potential delivery routes. Some opportunities may include imposing top-down spending reduction targets, opportunities for systemic change, providing tactical support for Departments.</p>	<ul style="list-style-type: none"> <li>A 1 day opportunities workshop (set up, run, document) based on the Step 1 outputs</li> <li>A PowerPoint presentation (“Options deck” below) summarising findings and options for how to realise opportunities including a validated shortlist in GGIS by Department</li> </ul>
<p><b>3. Support to drafting your Business Case</b>, Working with the team to bring findings together into a business case document, incorporate stakeholder comments, and present to <b>REDACTED</b> on Monday 28 November.</p>	<ul style="list-style-type: none"> <li>Scoping and quantification of the Grants Function business case</li> <li>Input into and validation of an 5-6 page MS Word business case</li> </ul>

**Timeline (Key meetings will be agreed with **REDACTED** following the GGIS training on 14/11/16)**

Week	w/c 14 <sup>th</sup> Nov	w/c 21 <sup>th</sup> Nov	w/c 28 <sup>st</sup> Nov
Analysis	 Read-in / hypothesis generation workshop		
Opportunities			Options workshop 23 <sup>rd</sup> November
Business Case	 <ul style="list-style-type: none"> <li>Business case</li> <li>Options deck</li> </ul>		

# We will work collaboratively with your team to review the GIS data and develop savings options that support the business case

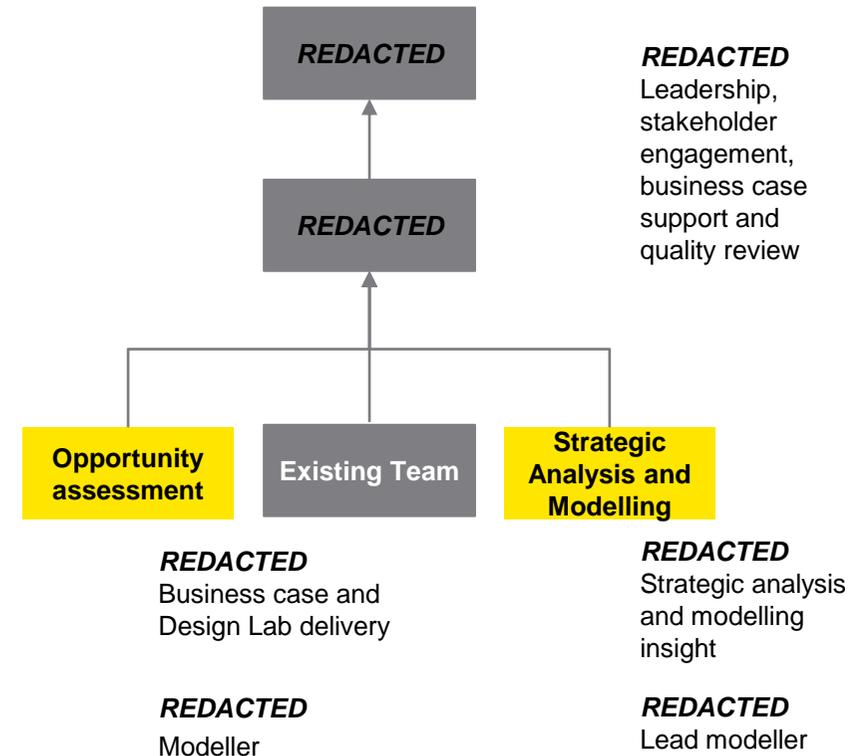
## We will work with your team to:

- Bring strategic analytical and modelling expertise to work with **REDACTED** and **REDACTED** to identify and size the cashable savings opportunities on the basis of the GIS data
- Set up, run and document a full day workshop to consider different routes to address these opportunities
- Support you to write and socialise a Business Case that has buy-in from your team and stakeholders

## Our team brings :

- Experience of delivering complex HMG business cases
- Deep expertise of complex modelling and analysis of similar cases
- Additional capability and capacity to achieve an ambitious timeframe
- A collaborative style that empowers and motivates the whole team to deliver as one
- Access to EY insight e.g, in Risk and Grant Management

**We have provided brief CVs for suggested individual team members on slide 4. They are available to start now and you would be welcome to meet them.**



Additional and wider capability if required

# Our core team

Proposed resource	Experience and Suitability
<p><b>REDACTED</b> Partner / Director <b>REDACTED</b> will lead the engagement and be responsible for overall delivery of the work</p>	<p><b>REDACTED</b> is an Executive Director in our Government &amp; Public Sector practice. <b>REDACTED</b> was previously a senior civil servant overseeing extensive analytical work, including government business case development, for which <b>REDACTED</b> team won a prize for the best economics in government. In a previous role, <b>REDACTED</b> supported the development of the Tell Us Once programme's business case, helping the team to produce <b>REDACTED</b> robust analysis, present a rigorous business case and obtain stakeholder approval.</p>
<p><b>REDACTED REDACTED</b> Partner / Director <b>REDACTED</b> will work with your team day to day and will facilitate the 1 day Design Lab to identify opportunities and routes to deliver the savings</p>	<p><b>REDACTED</b> is a Director in EY's Advisory Strategy practice. <b>REDACTED</b> has ten years' experience advising on service transformation in Public and not-form-profit enterprises. <b>REDACTED</b> clients include UKTI, the MoD, The British Museum. <b>REDACTED</b> has worked extensively on grant management including structuring ERDF and ESF bids, Regional Growth Fund bids and re-structuring public grant commissioning processes (most recently at the Big Lottery Fund).</p>
<p><b>REDACTED REDACTED</b> Partner / Director <b>REDACTED</b> will provide a strategic analysis of the GGIS data and work with you to identify potential savings opportunities</p>	<p><b>REDACTED</b> is an Executive Director within the firm's Business Modelling Team with sixteen years' experience. <b>REDACTED</b> previously worked for nine years at Barclays Bank, where <b>REDACTED</b> specialised in large corporate restructuring. <b>REDACTED</b> has a degree in Economics and Business Economics and is a member of the Institute of Financial Services. <b>REDACTED</b> currently leads EY's Government &amp; Public Sector modelling team supporting clients such as DWP, the MoD, Home Office, and several Cabinet Office agencies. <b>REDACTED</b> led the PIP work.</p>
<p><b>REDACTED REDACTED</b> Manager <b>REDACTED</b> will support <b>REDACTED</b> on the group with your team to review the GGIS data and visualise the data</p>	<p><b>REDACTED</b> is a Manager in <b>REDACTED</b> Business Modelling Team <b>REDACTED</b>. <b>REDACTED</b> brings extensive experience of developing of bespoke models and efficiently handling large data sets. has extensive programming experience across a broad range of languages and in particular Python, R, vb.net, Java, C++, VBA and SQL Prior to joining EY, <b>REDACTED</b> worked as an industry facing consultant at the Institute for Manufacturing, University of Cambridge, and prior to that at as a simulation modeller and consultant in South Africa.</p>
<p><b>REDACTED REDACTED</b> Senior Consultant <b>REDACTED</b> will support <b>REDACTED</b> with the risk indicator analysis</p>	<p><b>REDACTED</b> has a PhD in Operations Research from the Department of Informatics, King's College, London, UK. <b>REDACTED</b> specialises in developing simple visualisations of complex data. <b>REDACTED</b> started <b>REDACTED</b> career in EY's Fraud Investigations and Dispute team. <b>REDACTED</b> has worked across a range of industry developing complex bespoke data models in areas such as trading optimisation and sensor data fusion.</p>
<p><b>REDACTED REDACTED</b> Senior Consultant <b>REDACTED</b> will support <b>REDACTED</b> by setting up the Design Labs and facilitating scenario workshops</p>	<p><b>REDACTED</b> is a Senior Consultant in the Government &amp; Public Sector practice at EY. <b>REDACTED</b> brings <b>REDACTED</b> experience of working across Government to develop business cases such as the Digital Railway Business case and structure change programmes. <b>REDACTED</b> has just returned from a secondment in a major international Third Sector Organisation where <b>REDACTED</b> worked with the Strategy Director to develop the business case for future growth. <b>REDACTED</b> will work with <b>REDACTED</b> and <b>REDACTED</b> to develop the business case and support the scenario development. <b>REDACTED</b> will work with you to define the savings options and define delivery requirements of each approach.</p>

# Contracting

We have based our commercial proposition on an assessment of which procurement vehicles are available to you with GCloud and Consultancy 1 emerging as attractive. We are pleased to offer our fees on the basis of G Cloud rates, a 9% discount against our standard Consultancy 1 rates.

Name	Role	Grade	Days	Rate	Fees
REDACTED REDACTED	Leadership, insight, business case support and stakeholder engagement	Partner / Director	REDACTED	REDACTED	REDACTED
REDACTED REDACTED					
REDACTED REDACTED					
REDACTED REDACTED	Modelling lead	Manager	REDACTED	REDACTED	REDACTED
REDACTED REDACTED	Business case	Senior Consultant	REDACTED	REDACTED	REDACTED
REDACTED REDACTED	Analytics	Senior Consultant	REDACTED	REDACTED	REDACTED
Total fees (VAT and expenses ex)					£49,346

► Senior level oversight and Subject Matter Resource input to be provided by EY through the Subject Matter Resource Panel as required

We have based team structure and resource plan on our discussions to date and are happy to be flexible. REDACTED will be our principle point of contact with your team. We would confirm resources and plan with you on Day 2 to take account of work completed to date. We would meet with you weekly to confirm our run rate and identify any additional EY expertise required to deliver the work.

## Selected tools and credentials

Slide #	Description
8	Your subject matter resource panel
9	Credentials
10	Case study: modelling financial savings on the DWP PIP programme
11	Our Design Labs approach
12	EY's networks and tools

# The core team will have access to an EY Subject Matter Resource Panel covering Risk, Grant Management, and Transformation Design

Proposed resource	Experience and Suitability
<p><b>REDACTED REDACTED</b> Partner / Director</p> <p><b>REDACTED</b> will bring <b>REDACTED</b> expertise of deliver the Digital Rail Business Case and working to John Manzoni</p>	<p><b>REDACTED</b> is a Strategy Partner within the EY Government &amp; Public Sector Advisory group, with responsibility for Strategic and Digital Transformation in Government.</p> <p><b>REDACTED</b> has over twenty years advisory experience in:</p> <ul style="list-style-type: none"> <li>▶ Developing compelling business strategies for large, complex government and private sector clients</li> <li>▶ Designing, refocusing and leading critical business change initiatives including outsourcing deals</li> <li>▶ Helping Boards and CXOs rethink their aims to achieve dramatic performance improvements</li> </ul>
<p><b>REDACTED REDACTED</b> <b>Senior Manager</b></p> <p><b>REDACTED</b> will bring experience of dealing with large, complex and imperfect data sets to derive insight</p>	<p><b>REDACTED</b> has over 18 years of business and technical consulting experience. <b>REDACTED</b> specialises in Digital, Data and Analytics, with experience in Transport, Infrastructure, Utilities, Retail and Financial Services. <b>REDACTED</b> will provide insight from similar large, complex organisations into identifying key performance improvement levers to drive savings and systemic change.</p>
<p><b>REDACTED REDACTED</b> Partner / Director</p> <p><b>REDACTED</b> will bring experience of setting up large, delegated governance structured in Government and the private sector</p>	<p><b>REDACTED</b> is an Executive Director in EY's Risk team. <b>REDACTED</b> has a specific focus on Risk Management and Assurance in the public sector and Commercial Assurance. <b>REDACTED</b> has worked extensively across DWP, MoJ and Cabinet Office. <b>REDACTED</b> has worked in heavily outsourced environment creating appropriate risk and controls structured to enable performance, including designing high level assurance frameworks and job roles and profiles for contract management.</p>
<p><b>REDACTED REDACTED</b> Partner / Director</p> <p><b>REDACTED</b> will bring <b>REDACTED</b> experience of working with the Fraud and Error team in Cabinet Office</p>	<p><b>REDACTED</b> is a Director in EY's corporate finance team. <b>REDACTED</b> is currently working in Cabinet Office Fraud, Error &amp; Debt team helping them become more analytics and data-driven. <b>REDACTED</b> will provide insight from working with the <b>REDACTED</b> and engaging Other Government Departments <b>REDACTED</b> will share insight from <b>REDACTED</b> work with the Government Commercial Office to inform how the business case should support Other Government Department's work.</p>

# We have delivered similarly complex business cases at pace and would be delighted to introduce you to the clients we work with

## *DEL savings analysis on DWP's PIP service*



Department  
for Work &  
Pensions

Our client at the **DWP** needed to address a cross departmental challenge over how their service (PIP) could contribute to the DWP's in-year DEL saving challenge. **We rapidly delivered a driver-based analysis of savings options, enabling our client to secure broad stakeholder approval for the way forward.** Our approach is now being considered as the blueprint for savings analysis across the Department.



*We helped create a clear and thorough analysis of the drivers of PIP spending and opportunities for savings*

- ▶ Succinct translation of the PIP process into key drivers, with supporting costings, in turn used to frame savings' options
- ▶ Used the new PIP balanced scorecard to evaluate the options, especially the trade-offs between DEL, AME, efficiency and effectiveness

### **Reference:**

**REDACTED**, PIP Programme Director  
Department for Work and Pensions

## *REDACTED Supply Chain Development*



At **REDACTED** we are working with the Supply Chain Development division to improve and implement their Supply Chain Strategy; this will help ensure that capacity and performance of suppliers meets the organisation's future need. Pulling together a number of disparate data sets, we have: provided a view on future demand; mapped out the contract landscape; identified contracts with mechanisms that can be utilised to improve supplier collaboration; and influenced design of a future contract framework



*We are helping to outline the capability and capacity challenges that **REDACTED** face and approaches to tackle them*

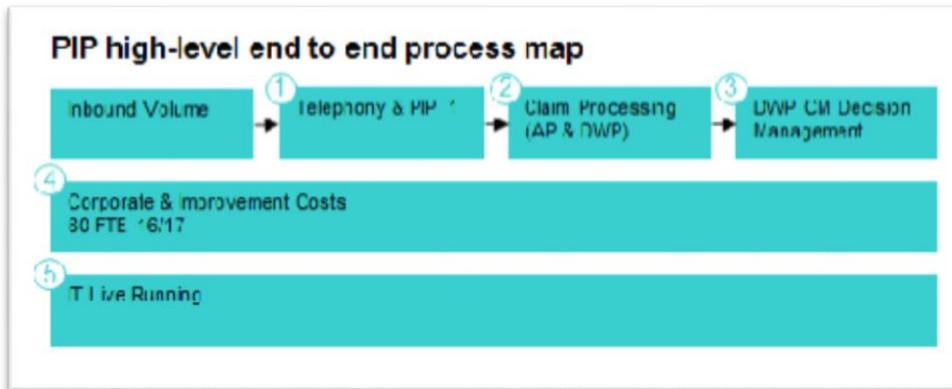
- ▶ A key challenge was to identify, collect, understand, use and communicate information from inconsistent, partial data sets from a wide number of teams to inform the project's direction
- ▶ We have used a collaborative approach to engage with stakeholders across the organisation, utilising their knowledge and internal expertise to ensure data is used and interpreted correctly, and ultimately drives the right decisions for implementing the Supply Chain Strategy

### **Reference:**

**REDACTED**, Head of Supply Chain Strategy & Supplier Development  
Highways England

# Case study: Our approach to identifying financial savings options in DWP's £15bn PIP programme

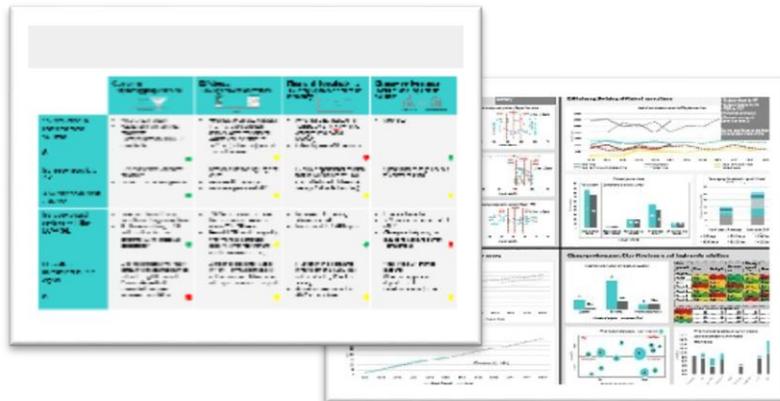
1A We categorised spending in 6 main blocks



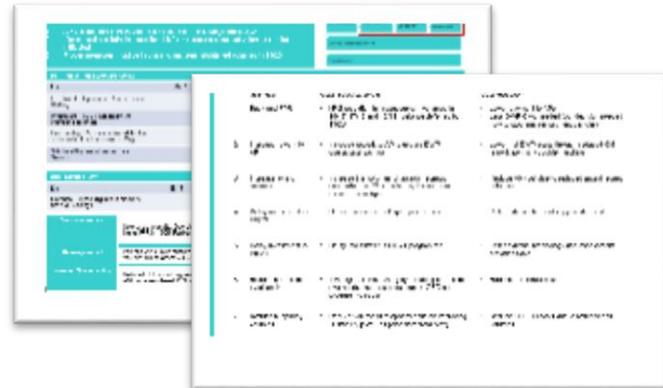
1b We identified and prioritised the savings levers in each spending block according to impact and timeframe



2A We selected an option on the basis of financial savings impact and implementation risks



2B We quantified the benefits on the basis of cashable savings and wider business impacts



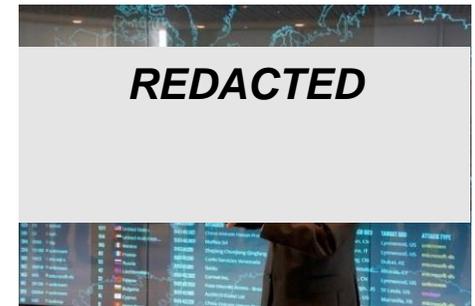
# We will work in a networked, collaborative way using our structured Design Lab approach

- ▶ Really engages staff and helps them to be and feel part of the work – we believe building on your internal capabilities, data and insight is critical to delivering this work
- ▶ Makes sure we all gain a true picture of what is going on, and gets ideas from the “grass roots, not the ivory towers”
- ▶ Working in a delegated model that allows us to design the scenarios efficiently and move the work forward at pace
- ▶ Helps everyone understand where we are and where we are going
- ▶ Uses first class facilitation and enabling technology to drive great outcomes
- ▶ Starts the journey of change in an engaging way

*EY facilitating a workshop based in our offices with a Cabinet Office client to help them prioritise activity for implementation. We have facilitated similar workshops at the client's offices in Birmingham and Manchester.*



“What a great 2 days we had! I just wanted to say thank you very much for making the design lab so successful. Your passion, energy, drive and most importantly insight was so much better than anything we had seen before.”



# Our team will bring the Firm's networks and tools

*At the core of this is access to experience and insight from our client and EY network. We understand that this is part of a wider programme of process and cultural change across Government. We would be delighted to put you in touch with other clients who are working on similar challenges to help inform your approach with real examples for a variety of analogous sectors.*

# REDACTED



Networks



Tools

We will use Slack and Virtual Kanbans to collaborate remotely and drive activity across workstreams and sites. This has worked very well on the A4A pilot, with X people collaborating over 4 sites



Partnerships

We have an extensive network of professional relationships and partnerships which we would be delighted to make available to you in order to deliver this work.



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