From idea to investment

For clinicians who have spotted a problem in their service and need to make the case for fixing it: the structure NHS organisations expect, real options, and the financial points that catch people out.



Start with the problem

Your preferred fix (another consultant, new kit, a new pathway) may be right, but test it rather than start from it.

Describe what is happening now. Who is affected, how often, and how do you know? Use audit, benchmarking or local data.

Agree what you are trying to change. A measurable outcome, with a rough idea of how much and by when.

Find out how decisions are made locally. Who approves, which template, and when budgets are set.

Bring people in early. Your clinical lead, operational manager and finance business partner.

Options: avoid the fake three

Don't pick the answer and then add two weaker options to fill the template. Vary each of these:

Scope · **Solution** · **Implementation** · **Delivery** · **Funding**

Keep a realistic do-minimum, something you could actually do. If you rule an option out, say why, against requirements set in advance.

Agree the criteria before you score: patient benefit, safety, demand met, whole-life cost, workforce, risk and affordability.

The five cases

Case	The question	What to include
Strategic	**Why does anything need to change?**	The gap, your evidence, what happens if nothing changes, and measurable objectives.
Economic	**Which option is the best value?**	A do-minimum and real alternatives, compared on clinical benefit, whole-life cost, feasibility, risk and uncertainty.
Commercial	**Can we get what we need?**	Staffing and recruitment, procurement, contracts, estates, suppliers and other dependencies. Talk to procurement before you commit to a product.
Financial	**Can we afford it?**	Recurrent and one-off costs, where the money comes from and whether it is confirmed, and how the figures move if assumptions are wrong.
Management	**How will we deliver it, and know it worked?**	An owner, milestones, the main risks and contingencies, and the measures you will review and when.

Scale the detail to the decision: a small local change may need a page or two. Your organisation's governance rules come first.

Demand first, then money

300 patients a year × **35%** estimated to benefit = **105** may need review

An estimate of patients, not appointments, sessions or payment. Illustrative numbers.

Turn patients into workload: first reviews, follow-ups, time per contact, hours to cover, capacity you already have.

Then the money: recurrent and one-off costs; confirmed versus expected income; capacity versus cash; what if recruitment or benefits are slower?

Three things that catch people out

Costed options ≠ appraised options

A price against each option is not a comparison. Show what each delivers and what could go wrong.

Beds freed ≠ cash saved

Released bed days are capacity, which is valuable, but spending only falls if costs come out.

Projected income ≠ confirmed funding

Check tariff and income assumptions with finance before you build the case on them.

The numbers finance will ask about

You do not need to build the model. Finance will do that with you. But these terms come up in almost every review.

Break-even

The activity or time at which a change has covered its costs. £52,000 a year ÷ £130 per extra patient = 400 patients.

Is the income confirmed?

NPV

Today's value of future benefits minus costs, with later money counted for less. Positive means it repays over the period.

Which rate and period do we use?

Cash-releasing

Spending really falls. Freed time, beds or capacity are valuable but release no cash by themselves.

Whose budget goes down?

Stress test

Change several assumptions together: savings 25% lower and a year late can turn a positive NPV negative.

What if the big three go wrong?

Payback period

How long savings take to repay the up-front cost. Easy to explain, but it ignores when the money arrives and anything after payback.

Does it pay back within the life of the kit, contract or funding?

Sensitivity analysis

Change one assumption at a time. The switching value is how far it can fall before the option stops paying for itself.

What are the switching values?

Optimism bias

Costs and timelines are usually underestimated and benefits overestimated. Good cases add contingency and say what it is based on.

What contingency is included?

Green Book (HM Treasury, 2026): standard discount rate 3.0% a year, standard period 10 years for most proposals. Local templates may differ, so follow your finance team. Also ask about switching values (how far an assumption can fall before the case fails) and the contingency for optimism bias.

Worked example (fictional): does a £60,000 spend pay back?

One-off cost £60,000, cash-releasing savings £20,000 a year for five years, discounted at 3.0%. Base-case NPV about **+£31,600**; simple payback 3 years; switching value about £13,100 a year.

Scenario	NPV, 5 years	What changed
Base case	**+£31,600**	Savings £20,000 a year from year 1
Savings 25% lower	**+£8,700**	£15,000 a year
Savings a year late	**+£12,200**	Start in year 2
Cost 20% higher	**+£19,600**	£72,000 up front
Lower and a year late	**−£5,900**	On paper the savings equal the cost (£15,000 × 4 = £60,000), but they arrive later
All three together	**−£17,900**	Each problem alone is survivable; together they are not

Illustrative figures, rounded to the nearest £100. Your finance team will build the real model, including inflation, risk and the right period.

Your first steps back at work

1. Write a one-sentence problem statement with a baseline you can evidence.
2. Agree the objective, who decides, the local template and the approval timetable.
3. Build a proportionate demand and capacity estimate and genuinely different options.
4. Review costs, benefits, funding and uncertainty with finance and operations.

Further reading

Writing a value focused business case One NHS Finance

Framing decisions for value One NHS Finance

Developing proportionate business cases HM Treasury, 2026

clinical.finance/business-cases
The full guide, the options worksheet, real NHS examples and more on contracts and procurement.

Ak Maheswaran, clinical.finance, November 2026. Written for education. Check your own organisation's guidance and current NHS payment rules before relying on it. Not endorsed by NHS England or One NHS Finance.