Proforma for business cases

1. Introduction

2. Description of the scheme proposed

3. Case of need – describe how proposal takes service forward:

    a. **Internal**

Safety issues

More responsive service

Improved experience for patients

Accreditation

Increased efficiency

Development of New Technology

    b. **External**

Responding to national standards (NICE interventional procedure guidance (IPG), NICE Quality Standards, national guidance).

Growth e.g. increase in referrals.

Needs assessment – responding to population changes or need. How much demand for the proposed service is there (link to 6a below)?

4. Competitive impact – especially relevant if developing new service but also need to be mindful of development of services where local competition is strong. A factor may be implementing or developing a service to head off prospective competition.
5. Costs of development :

    a. Ongoing revenue costs (pay and non-pay): staffing, consumables, utilities, theatre time, overheads, cost of maintaining equipment, software licenses, etc.
    b. Start up costs – equipment costs, training, building works
    c. Will the development have an additional financial impact on other services? (e.g. on diagnostics, facilities, pharmacy?). Are there training requirements?
    d. Savings – cost reduction or cost substitution, e.g. reduced bed days, transfer from inpatient to day case, day case to outpatients.

6. Income generation:

    a. Volume of activity generated.
    b. Link the volume of work to the tariff paid to generate the total income which would be received. Does the procedure generate more income than cost?
    c. What are projections for future years both in terms of activity and what will happen to the tariff?

NB: It is important to liaise with your Divisional Finance Manager on costs and income. Your Divisional Manager will be able to help you with the business case.

7. Benefit analysis – what benefits will the organisation see as a result of the investment and by when? What are the success criteria?

NB: For business cases relating to applications for new health technologies, the business case MUST be presented to the Trust Investment Group (TIG) for approval before proceeding to the Trust Management Committee.