

## OpsPilot

# Business Case — User Manual

Capital Approval · HM Treasury 5-Case Model · AI Engineering Co-Pilot



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**What this guide covers** — what a business case is, how the OpsPilot module builds one to the 5-Case Model, what to have ready, and the document you receive.

## 1. What is a business case?

A business case is the document that secures capital approval — it argues, to an investment committee or board, that a proposed spend is worth making. The recognised standard is the HM Treasury 5-Case Model, used by governments and best-practice private sector alike, because it forces the proposal to stand up on five separate fronts, not just the financial one. A project can have a great financial return and still be the wrong thing to do (no strategic fit) or undeliverable (no management capability) — the 5-Case Model catches that.

## 2. The five cases

Case	The question it answers
Strategic	Why — does this fit the organisation's objectives and need?
Economic	What's the best option — value for money across the realistic alternatives?
Commercial	Can it be procured — is there a viable, attractive deal?
Financial	Can we afford it — is it funded and affordable?
Management	Can we deliver it — capability, plan, governance?

## 3. What the OpsPilot module does

Role	Responsibility
AI Coach (OpsPilot)	Builds a defensible 5-Case business case — calculating NPV, BCR and sensitivity at the Treasury social discount rate, applying optimism bias per HMT guidance, and anchoring the recommendation in lessons from major projects (T5, Edinburgh Trams, Olkiluoto-3).
Business Sponsor / Project Director (you)	Provide the business context — strategic objectives, the options to consider, cost and benefit inputs, organisational appetite — and validate the numbers and the recommendation.

## 4. What you will be asked — have this ready

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- The strategic objective the proposal serves, and the need it meets.
- The realistic options (including “do nothing” / “do minimum”).
- The cost and benefit inputs, and the funding position.
- The delivery capability — who runs it, and how.

## 5. What you receive — the output

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A complete Business Case (Word): the five cases — Strategic, Economic, Commercial, Financial, Management — with NPV/BCR and sensitivity in the Economic Case and optimism bias applied, sponsor-ready for investment committee, Treasury or board approval.

## 6. Worked example (illustrative)

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A proposal to replace an ageing compressor. The Strategic Case ties it to a reliability and emissions objective. The Economic Case compares the realistic options — like-for-like replacement, a larger unit, refurbishment, do-nothing — and shows which delivers best value for money, with the financial return adjusted for optimism bias (because projects systematically underestimate cost and overestimate benefit). The Commercial Case confirms a viable procurement route; the Financial Case confirms it's funded; the Management Case shows the team and governance to deliver it. A proposal that only argued the payback would be incomplete — the board needs all five to approve with confidence.

## 7. Getting the best result

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- **Make all five cases.** A strong financial return doesn't approve a project that fails the strategic or management test.
- **Include do-nothing.** The economic case is a comparison; it needs a baseline.
- **Apply optimism bias.** Unadjusted business cases systematically over-promise — the adjustment is what makes it credible.
- **Be honest in the management case.** Deliverability is where approved projects most often come unstuck.

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