Worked example - a fictional community hall. Figures are made up for illustration.

Business case

Anytown Community Hall - replace the main hall lighting with LED

Project name	Hall LED lighting	**Prepared by**	Sam Taylor
Sponsor / decision maker	Hall committee	**Date**	14/11/2026

1. Summary

In three or four sentences: what is proposed, what it costs and what you get back

Replace the 24 old fluorescent fittings in the main hall with LED panels. The work costs £6,800 and should pay for itself in about 2 years 5 months through lower electricity bills and fewer bulb replacements. We recommend going ahead in January.

2. The problem or opportunity

What is wrong or missing now, and what happens if nothing changes?

The hall lighting is 15 years old, flickers and uses a lot of power. Three fittings failed this year and the hall is used six days a week, so costs will keep rising and hirers have started to complain.

3. Options considered

Option	Main benefit	Main drawback	Cost (£)
A. Do nothing	No spending now	Costs and complaints keep rising	0
B. Replace failed fittings only	Low up-front cost	Bills stay high; more failures	900
C. Replace all with LED	Lower bills, reliable light	Highest up-front cost	6,800

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4. Costs and benefits over three years (£)

Item	Year 1	Year 2	Year 3	Total
Cost: lights and installation	6,800	0	0	6,800
Cost: annual maintenance	0	150	150	300
Benefit: lower electricity bills	2,600	2,600	2,600	7,800
Benefit: fewer bulb replacements	300	300	300	900
Net (benefits minus costs)	-3,900	2,750	2,750	1,600

Payback (when costs are recovered) About 2 years 5 months

Main assumptions Electricity price stays at today's level; hall use stays at six days a week

5. Risks

Risk	What you will do about it
Quotes rise before work starts	Get two written quotes and agree a fixed price
Savings smaller than expected	Check bills for six months after fitting and report back
Hall closed during the work	Fit over the school holiday week when bookings are low

6. Recommendation and decision

Which option do you recommend, and what do you need agreed?
Option C. We ask the committee to approve £6,800 from reserves and a start date in the first week of January.

Approved	*J Ellis*	21/11/2026
Decision	*Signed*	*Date*

How to use this template

A business case helps someone decide whether to go ahead with a project, purchase or change. Keep it short, use real figures and show your reasoning.

1. **Start with the summary last.** Fill in sections 2 to 5 first, then write the summary so it matches.
2. **Describe the problem plainly.** Say what is wrong now and what happens if nothing changes.
3. **Compare real options.** Always include 'do nothing' so the decision maker can see the baseline.
4. **List every cost and benefit by year.** Include ongoing costs, not only the up-front price. Use quotes or past bills, not guesses, where you can.
5. **State your assumptions and risks.** Anyone reading should be able to see what would change the answer.

Tips

- Keep the whole case to two pages if you can.
- Ask someone who was not involved to read it before you send it.

This template is general guidance only. It is not financial, tax or legal advice - ask a qualified adviser if you need it.