****

**COMPANY / ORGANIZATION NAME**

**BUSINESS CASE**

{**Transport Business Case}**

**Business Case Title**

**Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Version: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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## Introduction

This document is part of the Department for Transport’s commitment to being open and transparent. It provides a description of the approach followed by the Department and its ministers when making major investment decisions. It is intended to inform those with a general interest, as well as those who are involved in developing proposals for investment and who wish to understand better the underlying decision making process. It also provides the best practice model for small scale investments.

Business cases for different modes of transport or funding streams have their own particular set of circumstances and demands for detail which can make the underlying process of decision making opaque. To ensure ministers receive the right information on which to draw their conclusions, all investment decisions are required to follow the same high-level process. This allows for objective comparisons of proposals for investment within and between projects and modes.

## Purpose of this document

This document provides a clear explanation of the:

* + staged approach to major investment decisions, (in line with Treasury’s recommended five case model – see below);
  + evidence developed by the Department and its partners for consideration by ministers to enable them to make informed and balanced decisions; and
  + tools, templates and sources of further guidance available.

## The Transport Business Case

Ministers take decisions on investment in support of their objectives for transport and are informed by evidence set out in a business case. Business cases are developed in line with Treasury’s advice on evidence-based decision making set out in the Green Book and use its best practice five case model approach.

This approach shows whether schemes:

* are supported by a robust **case for change** that fits with wider public policy objectives – the ‘strategic case’;
* demonstrate **value for money** – the ‘economic case’;
* are **commercially viable** – the ‘commercial case’;
* are **financially affordable** – the ‘financial case’; and
* are **achievable** – the ‘management case’.

Ministers take into account the evidence in all five cases when making a decision. Guidance that sets out the detailed questions asked in each case is set out later in this document.

The degree of detail contained within the business case may vary depending on the level of investment or risk proposed to ensure that the appraisal process is proportionate.

## The evidence framework

The Department provides tools and guidance to produce the evidence required for each of the five cases. These tools and guidance ensure that the evidence produced is robust and consistent.

WebTAG is the Department’s website for guidance on the conduct of transport studies. The guidance includes or provides links to advice on how to:

* set objectives and identify problems;
* develop potential solutions;
* create a transport model for the appraisal of the alternative solutions; and
* conduct an appraisal which meets the Department’s requirements.

## The decision making process

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## Identification of the problem and the potential for intervention

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## Outline Business Case

* is used continually to align the progress of the project towards achieving ministers’ objectives;
* confirms the strategic fit and the case for change;
* sets out a detailed assessment of the options to find the preferred solution;
* refines the investment/intervention proposal; and
* provides details of the project's overall balance of benefits and costs against objectives.