



Department
for Transport

Strategic Case Supplementary Guidance Transport Investment Strategy

Moving Britain Ahead

December 2017

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Document version

Version	Date	Description
1	18/12/2017	First version of supplementary strategic case guidance on the Transport Investment Strategy

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1. Introduction

- 1.1 Business cases are used in DfT to inform decision making through setting out all the relevant information about a proposed investment. DfT use the Five Case Model for transport business cases¹. This ensures projects set out a compelling case on their strategic fit, economic value for money, financial affordability, commercial achievability and management of benefits. The Five Case Model allows comprehensive and comparable assessment, ensuring a wide range of options are considered and assessed proportionately at different stages of project development.
- 1.2 The strategic case aims to demonstrate how schemes are supported by a robust case for change that fits with wider public policy objectives. Government business case guidance² sets out the need for strategic cases to demonstrate how spending proposals fit in relation to national, regional and local policies, strategies and plans.
- 1.3 In July 2017, the government published its Transport Investment Strategy (TIS) which sets out its objectives and priorities for investment. It includes propositions that will guide future decision-making and provides a guide for those seeking investment. These priorities and principles need to be taken into account systematically and consistently in the development of scheme proposals and design, including in business cases.
- 1.4 This supplementary guidance helps authors ensure that this is the case. It sets out the four priorities described in the TIS and how these should be considered as part of the strategic case.
- 1.5 The guidance is designed to slot into the existing business case framework and templates. It is recommended that all business cases include this to ensure that schemes and programmes are assessed fairly and consistently.
- 1.6 The department remains open to views on the guidance, which is a live document and open to change. Please send comments on how it can be improved and refined to the strategic case guidance team at Strategiccases@dft.gsi.gov.uk.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85930/dft-transport-business-case.pdf

² HMT Green Book Supplementary Guidance – Using the Five Case Model, p11

2. Transport Investment Strategy - the four priorities

2.1 The TIS sets out four main objectives which DfT investment decisions should focus on:

1 Create a transport network that works for users, wherever they live

We know that transport users – people and businesses - want a network that is reliable, well-managed, and safe. Journeys that are easy, fast, and comfortable, with the right connections in the right places. Our intensively-used networks are ageing and face increased demand. People’s work and leisure patterns - and therefore their travel behaviour – are evolving.

2 Improve productivity and rebalance growth across the UK

Reducing congestion and strengthening connectivity are both crucial for boosting our economy, through increasing local productivity and creating places in which people want to live and work. Our national productivity lags behind other countries and prosperity differs across the country.

3 Enhance our global competitiveness by making Britain a more attractive place to invest

The transport sector makes trade possible. Investors need effective international connections to access new markets, integrate operations into their global supply chains and to conduct business efficiently. The UK is already well placed to meet these needs, but we are in constant competition with other countries to attract global business

4 Support the creation of new housing

The housing market in the UK is not delivering the homes that people need. The Government’s Housing White Paper set out a range of proposals to boost housing supply and create a more efficient housing market and transport investment should support this.

3. Strategic Case supplementary guidance

- 3.1 This section sets out how to take account of a project's "fit" with the TIS priorities within the department's existing business case framework.
- 3.2 The strategic case requires the author to describe how the project fits with the organisation's objectives. Authors should explain in this section how a project aligns with the four TIS priorities and provide supporting evidence where possible.
- 3.3 The following questions should be considered as a broad guide to help determine a scheme's fit with the TIS priorities:

1. Create a transport network that works for users, wherever they live

- What groups are affected by the project?
 - Which groups/communities/users will benefit and in what ways?
 - What are the risks/downsides and for which groups/communities/users and are there ways of mitigating these?
- What is being done to minimise disruption during construction?
- How does the project deliver for people?
 - This could be through making the network more reliable or safer, making journeys easier, faster, less congested or more comfortable/better quality
 - How does the project seek to help people access employment centres and vital services?
- How does it help facilitate the flow of skills, services and products locally, regionally or across the country and its international gateways? This can include facilitating access to leisure activities too, e.g. retail, tourism and hospitality
- How have users and affected groups been consulted? What are the key issues that have been raised and how has the scheme been adapted to reflect these?

2. Improve productivity and rebalance growth across the UK

- In what ways does the project seek to improve productivity. For example, producing more for the same cost or per employee
- What are the wider economic benefits of the project? Is the discussion of GDP and employment consistent with the analysis in the economic case?
- What is being done to develop the skills base in the UK through the construction and operation of the scheme?
- How does the project contribute to spreading growth across the country? More guidance on assessing this can be found in our Rebalancing Toolkit³.

³ <https://www.gov.uk/government/publications/transport-business-case>

3. Enhance our global competitiveness by making Britain a more attractive place to invest

- How does the project improve trade flows? For example, through more efficient handling, greater connectivity (including domestic connectivity) and reliability of our ports and airports
- How will the project help the UK attract greater foreign direct investment or tourism?
- How will the project help the UK's transport and infrastructure sector increase exports?

4. Support the creation of new housing

- What does the project do to address constraints on housing?
- Are any new housing developments dependent on the project? For example, does it open up access to new pieces of land?
- In what other ways will the project help to unlock housing development, for example by connecting housing or land to employment centres and services or accommodating demand?
- What evidence of commitment is there from developers to the new housing? For example, have developers provided funding for the scheme?
- How does the project align with housing plans? Does it contribute to 'place-making'?
- What engagement has taken place with the relevant planning authorities?

4. Use of evidence

- 4.1 When writing a strategic case it is important that strategic arguments are underpinned by evidence. The evidence used can and should draw on analysis in the economic case as well as wider evidence, for example from national and local statistics, research and external engagement. All the evidence must be consistent with the analysis in the economic case.
- 4.2 Analysis should make use of the department's analysis guidance, including:
- Transport Appraisal Guidance⁴, which provides advice on best practice modelling and appraisal methodologies.
 - The Strength in Numbers⁵ framework, which sets out how analysis is specified, produced and used in the department to help obtain the highest quality research and analysis. This includes the need for Tier 1 and 2 business cases and ministerial submissions on investment decisions to include an analytical assurance statement describing the strengths and weaknesses of the analysis. Analytical assurance statements relate to the whole business case - including the strategic case.
- 4.3 The guidance above gives some examples of the evidence that could be used to help describe the strategic case for a project. The examples are not intended to be exhaustive. Strategic case authors are encouraged to gather a broad range of evidence to assess the project's fit with government priorities.

⁴ <https://www.gov.uk/guidance/transport-analysis-guidance-webtag>

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/353372/strength-in-numbers.pdf