

## The Strategic Case

1. This document should be read in conjunction with ‘*The Transport Business Case*’, which is available on the Department’s website ([www.dft.gov.uk](http://www.dft.gov.uk)).

### ***What is the strategic case?***

2. The strategic case determines whether or not an investment is needed, either now or in the future. It should demonstrate the case for change – that is, a clear rationale for making the investment; and strategic fit, how an investment will further the aims and objectives of the organisation. The strategic case provides the greatest emphasis for going ahead with a project at an early stage, and should provide a shortlist of options at the *strategic outline business case* stage.
3. More specifically, the strategic case should specify the business need for a project. What need will be met by the project and why it is needed now? This should be put into context by examining existing arrangements and be used to draw up a series of investment aims. The investment aims then need to be assessed against what the organisation (and wider Government) wants to achieve as a whole. Determining the case for change and strategic fit should be an iterative process as a business case develops, and always supported by robust evidence, such as identifying key risks and constraints. Consulting main stakeholder groups is an important step in identifying aims.

### ***What questions will be asked?***

4. The strategic case will contribute towards the overall business case presented for consideration by ministers. Prior to this more detailed evidence will be scrutinised by the relevant investment committee alongside the wider business case.
5. Consideration of the strategic case by an investment committee is likely to include a comparison with other similar interventions that address the same problems to those identified in the business case. The strategic case should aim to identify the relative merits and drawbacks of a scheme. The questions likely to be asked by an investment committee include:
  - What is/are the identified problem(s), with timescales and the key drivers? What would happen if the scheme didn’t go ahead?

- Who is the target and/or affected population(s) and what is known about their needs, current behaviours and attitudes?
- What are the existing arrangements for the provision of services? Can they be better utilised, or are more fundamental changes required? What are the constraints?
- Why is the scheme needed now?
- What are the aims of the proposed scheme, and how do they address all the problems identified?
- How does the proposed scheme draw on evidence about what has worked in the past and/or understanding of existing and potential barriers to behaviour change?
- What are the attitudes of key groups (e.g. the general public, residents, businesses and wider stakeholders) to the proposed scheme and how have those attitudes informed the strategic plan?
- Are there any internal or external business drivers that support the scheme, or pressures that make it necessary to act?
- What was the process for generating and shortlisting options?
- What is the scope of the project?
- What are the constraints and dependencies, in light of other programmes and projects which are underway?
- What are the high-level strategic and operational benefits envisaged? How do they link to the objectives of the scheme?
- What are the main risks to the business in taking the project forward?
- What are the organisation's main aims, and how does the project fit within this?
- How does the scheme contribute to key objectives, including wider transport and government objectives?
- Are there any other objectives, such as local, regional or network objectives that the scheme might contribute to?
- What is the overall level of impact in combination with other connected schemes?
- What will constitute success for the project, and how will it be measured? Is there a clear logic model for how the outcomes will be achieved? What wider impacts will the project have?
- Was a Starting Gate review undertaken before the decision was taken to proceed with the project or programme? (mandatory for all projects requiring Treasury financial approval)
- If this is a major project or programme, is there an integrated assurance plan in place as required by the Major Projects Authority?

### ***Contents of the strategic case***

6. The following elements make up the minimum requirement for the strategic case. These should be easily identifiable in the business case in order to demonstrate that they have been covered.

7. The table below sets out how and when these minimum requirements should be **outlined** (initial findings), **completed** (a full assessment) and **updated** (past information is verified and new information incorporated) for each iteration of the business case. Blank/no colour indicates 'optional' where evidence should be provided if relevant.

<b>Strategic Case</b>		<b>Strategic Outline</b>	<b>Outline</b>	<b>Full</b>
Business strategy	Provide the context for the business case by describing the strategic aims and responsibilities of the organisation responsible for the proposal e.g. the Department, Highways Agency, Local Authority, Network Rail, etc.	C	U	U
Problem identified	Describe the problem identified. What is the evidence base underpinning this? Is there justification for Government intervention?	C	U	U
Impact of not changing	What is the impact of not changing?	C	U	U
Internal drivers for change	What is driving the need to change e.g. improved technology, new business/service development as result of policy?			
External drivers for change	What is driving the need to change e.g. legislation, pressure from public/other government departments?			
Objectives	Establish specific, measurable, achievable, realistic and time-bound objectives that will solve the problem identified. Ensure that they align with the organisation's strategic aims.	C	U	U
Measures for success	Set out what constitutes successful delivery of the objectives.	C	U	U
Scope	Explain what the project will deliver and also what is out of scope.	C	U	U
Constraints	High level internal/external constraints e.g. technological environment, is there capability to deliver in-house, major contracts with provider, etc.	O	C	U
Inter-dependencies	Internal/external factors upon which the successful delivery of project are dependent.	O	C	U
Stakeholders	Outline the main stakeholder groups and their contribution to the project. Note any potential conflicts between different stakeholder groups and their demands.	O	C	U

Strategic Case		Strategic Outline	Outline	Full
Options	Set out all the options identified (including do nothing) and evaluate their impact on the proposal's objectives and wider public policy objectives. Risks associated with each option should be identified as should any risks common to all options.	C	C	U

8. The degree of detail contained within the business case may vary depending on the level of investment and/or risk proposed to ensure that the appraisal process is proportionate. Similarly, different investment routes or capital projects for different modes may require additional details to be provided and considered as part of the decision making and project development.

### Tools & Guidance

9. Sources of further guidance can be found on the Department's website ([www.dft.gov.uk](http://www.dft.gov.uk)):
- **Treasury's Green Book**
  - Government Social Research Unit's **Magenta Book** – guidance notes on policy evaluation and analysis to help 'intelligent customers' and 'intelligent providers' determine what constitutes high quality work in the field on policy evaluation and analysis.
  - **WebTAG** – the Department's website for guidance on the conduct of transport studies.
  - **The Early Assessment & Sifting Tool (EAST)** – a decision support tool that has been developed to quickly summarise and present evidence on options in a clear and consistent format.
  - **The Hints and Tips Guide to Logic Mapping** provides in-depth advice on developing logic maps to inform the planning, design and evaluation of transport interventions.
  - **Enabling Behaviour Change** provides guidance on the issues to consider in developing initiatives which seek to enable changes in people's travel behaviour and offers practical tips when considering options for addressing barriers to sustainable behaviours.
  - **Carbon tool for local authorities** – The Department's tool to assist local authorities' assessment of the potential effects of transport interventions on carbon emissions in their area.