

# Transport Scheme Appraisal



Photo provided by Jacobs

## Overview

This course will provide a comprehensive grounding in the latest business case appraisal approaches for transport projects. It will introduce the five cases that make up a transport business case: the Strategic, Economic, Commercial, Financial and Management Cases. It will highlight current guidance in WebTAG and HM Treasury's "Green Book" on Appraisal and Evaluation and provide an understanding of the key concepts used in appraisal.

Following an overview of the entire scheme appraisal process on day one, the second day will focus on the economic case and the principles, tools and techniques used in economic appraisal, including cost-benefit analysis, discounting and presentation of results. The course will be delivered through a combination of presentations and workshops.

## Learning outcomes

At the end of the course, participants will be able to:

- understand how contemporary appraisal techniques have emerged from the sustainability discourse
- explain the need for public sector intervention in the transport market, and in particular the justifications for public investment
- recognise and critically debate the economic, social and environmental costs and benefits of promoting travel and transport within society
- critically evaluate current approaches for the appraisal and mitigation of transport investment and implementation in the UK
- communicate economic arguments
- be familiar with the techniques and methods of economic and environmental appraisal and their application
- understand WebTAG process at practitioners level

## Who should attend

The course is particularly suitable for new recruits to government organisations and private sector companies who require an overview of the current state of the art in scheme appraisal. It will also be of special relevance to more senior practitioners or managers who need to commission, manage or oversee business case appraisal activities.

## Topics covered

- Links between transport and the economy
- Aspects of economic methodology relevant to the understanding of practical transport problems
- Demand and supply
- Appraisal of transport schemes
- Interventions
- Case studies in transport economics and appraisal

## Programme\*

### Day One

Introduction and Course Objectives

Overview of the Appraisal Process

Purpose of appraisal; Types of appraisal and assessment; Green Book; WebTAG; WelTAG; ScotTAG

The Transport Business Case

Overview of the Five Cases Model

### Break

The Strategic Case

Need for the project; Fit with objectives; Case for change

Strategic Case Workshop

### Lunch

The Economic Case

Principles of appraisal; option selection; value for money

The Commercial Case

Market interest and acceptability; Commercial viability and proposition

### Break

The Financial Case

Affordability; Realism of cost estimates; Funding availability

The Management Case

Achievability; Project delivery; Delivery processes

### Day Two

Introduction to Day two

Calculating Economic Benefits

Benefits; Valuation of time; User charges; Operating costs; "rule of half"

Calculating Scheme costs

Cost estimates; Capital and operating costs; Upgrades and renewals

### Break

Calculating Present Values

Appraisal period; Discounting; Inflation

Economic Case Workshop

Interactive workshop

### Lunch

Presentation of the Economic Case

Transport Economic Efficiency, Analysis of Monetised Costs and Benefits, Public Accounts, Appraisal Summary Table, distributional analyses.

Land Use Changes

Dependent Development, land value uplift, land use-transport interaction

Wider Economic Impacts

Induced investment, employment effects, agglomeration economics

### Break

Appraisal Tools

COBA, COBALT, TUBA, WITA, bespoke analyses

Environmental Objectives

### Closing Session

\*This is a preliminary programme and is subject to change

