

Checklist for Assessment of Project and Programme Business Cases

- # Have you been trained [as a reviewer](#), and have the developers and senior officials responsible for developing the [business case also been trained](#)?
- # Is the proposal a Project or Programme? (See Box 4 in the Green Book)
 - # If it is a project, is it at Strategic Outline Case (SOC), Outline Business Case (OBC) or Full Business Case (FBC) stage?
 - # If it is a programme, is there a Programme Business Case (PBC)?
- # Does the proposal follow the five case model with use of all the headings specified in the [Guidance, Templates, and Appraisal Summary Tables \(AST\)](#)?
- # Have the following been prepared and annexed to the case:
 - # A scoping document (see Annex C in the project or programme guidance)?
 - # An initiating project "Mandate" or "Brief" authorising preparation of the case?
 - # An Integrated Assurance and Approval Plan?
- # Is there an Executive Summary with a maximum of four pages with an AST?
- # Have the Workshops (1, 2 and 3) specified by the guidance taken place and who attended?
- # Are estimates provided as ranges instead of point estimates (narrowing as the proposal progresses)?

Programme Business Case or Strategic Outline Case

Does the **Strategic dimension** include:

- # Background and Rationale?
- # Policy context and Strategic Fit?
- # SMART objectives?
- # Evidence based Golden Thread demonstrating linkage between projects, programmes, and how they support strategic objectives and specific government policies and priorities (e.g. priority outcomes, including cross-departmental ones) through achievement of SMART objectives?
- # If the proposal is to a specific area/type of area, are objectives place-based? See Annex 2 Green Book.
- # Is there a clear description of existing and future arrangements over the lifespan of the proposal?
- # Is there a clear description of business needs and the potential scope and service requirements of the proposal?
- # Have key benefits and risks been identified?
- # Have constraints and dependencies been identified?
- # Was Workshop 1 (Case for Change) held with relevant experts and stakeholders?

In the **Economic dimension** of the case:

- # Has Workshop 2 (Identifying and assessing options) been held with relevant experts and stakeholders?
- # Were the Green Book's Critical Success Factors used, as part of the Options Framework-filter (OFF) (for longlisting)?
- # Have the results of the options framework filter been clearly recorded (description, advantages, disadvantages, and conclusion), showing why options have been, rejected, carried forward, or identified as a preferred way forward?
- # Does the initial short list include an economic appraisal for the following:
 - # realistic achievable "Do Minimum" option?
 - # Preferred Way Forward option (PWF)?
 - # more ambitious PWF and a less ambitious PWF (providing the latter is not the do minimum), or other options?
- # Has "Business As Usual" (BAU) been quantified over the lifespan of the proposal?
- # In addition to the BAU are there 3 or 4 viable options each of which would deliver the SMART objectives?

- # Is the choice between Cost Benefit Analysis (CBA) and Cost Effectiveness Analysis (CEA) explained?
- # How have costs been estimated? What are the sources and assumptions? Are they 'most likely' estimates with an accompanying range (+/- values at a level of confidence)?
- # How have the main benefits been estimated; Are they 'most likely' estimates with an accompanying range (+/- values at a level of confidence)?
- # How have the risks and uncertainties been estimated? Further:
 - # Has optimism bias (OB) been identified and applied to the initial indicative estimates?
 - # Have the generic OB values provided by Green Book been used, if not what alternatives were used and what is the source of evidence and justification?
- # Have early estimates of key benefits and key risks been entered into the benefits and risks registers respectively and been used in sensitivity analysis?
- # Does the business case consider equality impacts?

In the **Commercial dimension** of the case:

- # Is there an organisational commercial strategy that follows the Crown Commercial Operating Standards and is the proposal being delivered in accordance with it?
- # Is there a clear understanding of:
 - # The procurement route(s) for the Programme and Projects?
 - # The Programme and Project scope(s) and related service outputs?
 - # The potential for risk transfer, and how the risk can be tied down in payment arrangements?
 - # The key contractual and delivery arrangements (milestones and dates)?
 - # The accounting treatment of underpinning assets?

In the **Financial dimension** of the case

- # What are the whole life costs (capital and revenue) over the life span of the proposal(s)?
- # Have any impacts on the Accounts and Balance Sheet of the proposing organisation been considered (along with other organisations where relevant)?
- # Is there evidence of stakeholder support and funding from the approving authority?
- # What are the financial impacts on the wider public sector, and have they also been included in appraisal in the economic case?
- # What are the contingent cost liabilities likely to be, and have these been informed by a likelihood valuation?

In the **Management dimension** of the case:

- # Are the recognised methodologies for public sector delivery e.g. MSP and PRINCE2 being used?
- # Are the governance arrangements in place:
 - # SRO, other key roles, and responsibilities?
 - # Programme and Project milestones and plans?
 - # Monitoring and Reporting arrangements?
- # Does the case outline if/how expert advisers are being used to deliver the scheme?
- # Is there a benefits and risk register completed?
- # Does the proposal affect the responsibility of another public body; if so, has a joint approach been agreed and are arrangements in place to manage that?
- # Are arrangements for Programme and Project Assurance in place?
- # Is there an adequate contingency plan to maintain service provision in the event of failure particularly at launch?
- # Have risks been allocated to the organisation best placed to monitor and manage them?

Checklist for Assessment of Project and Programme Business Cases

Programme Business Case (continued) or Outline Business Case

In the **Strategic dimension** of the case

- # Has the Case for Change been revisited and do the required services still provide best fit in respect of the organisations business needs?
- # Are there any serious unresolved differences between stakeholders?
- # Have the assessments of key risks, benefits, constraints, and dependencies identified at earlier SOC stage been revisited and examined in more detail?

Does the **Economic dimension** cover the following:

- # Have the findings of Workshop 2 (Identifying and assessing options) been revisited as required?
- # Have commercial (sourcing), financial (funding) and management (delivery) dimensions informed choices in the OFF and constraints and dependencies been considered when deriving a shortlist?
- # In light of the above is the initial shortlist still valid and have the economic appraisals been updated to reflect the latest estimates of costs, benefits, and risks?
- # Is there a detailed analysis of each of the shortlisted options using CBA or CEA?
- # Are there any decisive unquantifiable benefits to be considered?
- # Has the assessment of OB and its adjustment for risk been undertaken and reflected in the level of certainty shown by the value ranges?
- # Have key risks been analysed and costed?
- # Are appropriate sensitivity analyses provided for all shortlisted options and have switching values been provided as required?
- # Is the selection of the preferred option and the optimisation of public value for money clearly explained through reference to the Appraisal Summary Table and cross referenced to the option templates?
- # If significant equality impacts, have they been quantified/assessed and factored into policy design appropriately, including any possible mitigating actions that may be necessary?
- # Was Workshop 3 held (Assessing the short-listed options) with relevant experts and stakeholders?

In the **Commercial dimension** of the case

- # Is there sufficient evidence that there is supply side capacity and a potential deal can be made?
- # Is there a clear concise statement of the required service outputs and requirements?
- # Has the proposed advertisement for competitive procurement been attached?
- # Has the proposed allocation of risk between the public sector and the supply side been revisited, together with the associated payment mechanisms?
- # What are the key contract clauses, and will the contract be standard or bespoke?
- # What contract lengths have been considered, together with any required breakpoints?

in the **Financial dimension** of the case

- # Has the sum of residual optimism bias and residual risk cost, been revisited as a basis for estimation of the contingent cost liability?
- # Have all the earlier indicative financial costs (ranges, sources, and assumptions) been revisited and updated with the best estimates available?
- # Are the costs of monitoring and evaluating budgeted for and included as required?
- # Are the potential deal and the whole life costs affordable and sources of funding clearly identified and agreed?

In the **Management dimension** of the case

- # Have the assurance plans outlined in the initial stage been followed and gateway reviews undertaken as specified?
- # Has a detailed project plan been attached to the business case outlining the key milestones and activities in the design, build and operational phases of the service, (milestones alone are insufficient for this purpose)?
- # Is the project team sufficiently resourced with the required roles filled; and if not, what are the plans to fill vacancies?
- # What expert advisers have been appointed and is the organisation making prudent and proportionate use of expert advice?
- # Have the arrangements for change and contract management been clearly considered?
- # Have updated benefits and risk registers been attached?
- # Have the arrangements for post monitoring and evaluation been considered in detail?

Full Business Case stage (projects only)

NOTE: Programmes are concerned with management and coordination of their constituent projects including their critical paths and spending envelopes. Programmes are delivered through Projects; for this reason, it is Projects NOT Programmes that proceed to FBC.

Check that the appropriate gateway review has been undertaken and the results provided.

- # In the **Strategic dimension**:
 - # Check that the investment objectives are SMART and reflect any adjustments made as a result of the procurement process. The Golden Thread should be clear.
- # In the **Economic dimension**:
 - # Check that the economic appraisal for the shortlist have been prepared for the best and final offers and reflect the whole life costs including those falling to the public sector (not just within the lead department), for the scheme?
 - # Check that there is now a reduced allowance for OB, that sensitivity analysis has been undertaken and that the preferred option reflecting net welfare costs is still robust.
 - # Ensure that the procurement process has been summarised.
- # In the **Commercial dimension**:
 - # Check that the negotiated deal has been summarised together with details of the agreed service outputs, timescales, risk apportionment, payment mechanisms, and accountancy treatment.
 - # Check that there is a robust and commercial enforceable contract?
 - # Check that due diligence has been undertaken to ensure the capacity, resilience, and capability of the supply side.
- # In the **Financial dimension**:
 - # Check that the financial appraisal has been updated to reflect the agreed procurement costs and costs falling to the public sector and is fully affordable and fundable by the sponsoring organisations.
- # In the **Management dimension**:
 - # Check that all the arrangements, operational plans, and resources, are in place for the successful delivery of the proposal, including updated benefits and risks registers and plans.
 - # Check that the agreed arrangements for monitoring, assurance and post evaluation are in place, including any contingency plans.