



Department
for Transport

Appraisal, Modelling and Evaluation Strategy

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Contents

Contents	3
Foreword	5
1. Executive summary	6
2. Introduction	9
The role of this strategy	9
Development of the strategy	10
The structure of this strategy	11
3. Priorities for change	13
Improving accessibility and building capability	14
Supporting strategies and visions	15
Being comprehensive but proportionate	16
Promoting transparent decision making	17
4. Enabling economic growth	18
Place-based appraisal and transformational change	18
5. Improving transport for people	22
Welfare appraisal	22
Distributional effects	24
Health	24
6. Protecting the environment	26
Strategic context	26
Maintaining and improving guidance	26
Broadening our approach	27
7. Making good decisions for an uncertain future	28
Refreshing our approach to scenarios	28
8. Enhancing modelling methods	30
Exploring new modelling approaches for cross-modal policy	31
Improving our models	31

Making a step-change in freight analysis	31
Developing Digital Twins for network resilience	32
Exploring novel data sources	32
9. Learning from evaluation	33
Strategic context	33
Our guiding principles and areas for improvement	34
Improving the use of evaluation evidence	34
Enhancing guidance on good practice	35
Developing our value for money evaluation	36

Foreword

Analysis makes a critical contribution to decision making in transport. Both national and local government need transport analysis that is high quality, objective and transparent. It must capture the ways in which investment will impact on people and places. It must be easy to access and enable consistent comparison between different modes and options.

As we set about updating our analysis plans last year, we carried out extensive engagement with our stakeholders across the country. We wanted to understand how they used our Transport Analysis Guidance in their work. We asked what they thought were the strengths of current guidance and practice, what were the weaknesses or gaps, and what were the top priorities for future development.

As well as this engagement, our strategy was influenced by DfT's new integrated transport strategy, Better Connected, and the revision of the Green Book. Finally, we commissioned an independent Transport Appraisal Review to get an expert assessment of the quality of our guidance and priorities for its future development.

This Appraisal, Modelling and Evaluation Strategy is the result of all these inputs. It is a five-year plan for improvement, to make transport analysis work better for everyone who relies on it. We are excited by the opportunities identified here to strengthen the role that analysis plays in delivery of transport. We look forward to working with stakeholders across the sector as we deliver these plans.

Ian Mulheirn
Chief Analyst

1. Executive summary

1.1 This strategy aims to deliver powerful transport analysis, using people-focused evidence, that identifies the most effective interventions and drives value for money. It seeks to do this by:

- Addressing the impacts of transport that matter most to people and the places where they live;
- Reflecting the changing needs of decision making under devolution;
- Working with stakeholders to make our guidance and tools more accessible and easier to use; and
- Leveraging improvements in digital technologies and new data sources.

1.2 This strategy has been informed by four strands of activity:

- We have conducted extensive engagement with decision makers, planners and analysts in local and regional authorities as well as experts from academia and consultancy.
- DfT has published a new transport strategy, Better Connected, which includes a priority to optimise decision making and appraisal.¹
- We have worked with HM Treasury on the revised Green Book and associated priorities including place-based business cases, simplifying guidance, encouraging proportionate analysis and improving transparency.
- We commissioned a Transport Appraisal Review panel to undertake an independent review of our Transport Analysis Guidance (TAG) to check that it is fit for purpose as a framework for assessing the costs and benefits of transport schemes and to suggest priorities for improvement. The Review's report is published alongside this strategy.

1.3 These inputs have led us to identify four **priorities for change**:

¹ [Better Connected: a strategy for integrated transport - GOV.UK](#)

- **Improving accessibility and building capability:** TAG is a robust and consistent framework (as shown by feedback from its users and the Transport Appraisal Review), but we need to make it easier for a wide range of users to draw on it.
- **Supporting strategies and visions:** TAG needs to support users to better connect economic case evidence to the strategic case. This includes supporting vision-led planning and place-based objectives.
- **Being comprehensive but proportionate:** TAG needs to balance the competing demands of comprehensiveness and proportionality, addressing emerging requirements while keeping the scale of analysis appropriate to the scale and complexity of the investment.
- **Promoting transparent decision making:** TAG should promote better transparency about analysis and its role in decisions.

1.4 Reflecting these priorities, we will implement the following improvements to our guidance and tools in 2026 and 2027:

- Improve the accessibility of TAG by producing simplified introductions and complementary products, such as easy guides, videos, systems maps and AI tools.
- Identify further opportunities for collaboration and sharing of data and tools with TAG users.
- Improve TAG's guidance on addressing strategic objectives and supporting vision-led planning.
- Publish clearer guidelines to assist TAG users in determining what level of analysis is proportionate for schemes of different levels of scale and complexity.
- Refresh our guidance on the role of value for money in decision making, reflecting the Green Book, and develop examples of good practice.

1.5 We also set out our detailed plans for improving our technical guidance over the next five years, across six themes.

1.6 **Enabling economic growth.** To improve the evidence base and methods around how transport can facilitate balanced economic growth across the country we will:

- Work with other government departments to revise and align our appraisal guidance for place-based business cases and dependent development.
- Conduct further research into the measurement of wider economic impacts and implement changes where significant improvement is possible.

1.7 **Improving transport for all.** To develop our evidence base and methods for valuation of things that matter to people we will:

- Update guidance on the valuation of passenger travel time and reliability, through a national research study, and update our evidence for other aspects of wellbeing.
- Update guidance on considering the distributional impacts of transport schemes.
- Collaborate across government to deliver a primary study on values of life and health, to re-estimate the values used in our guidance.
- Collaborate with Active Travel England to build evidence and improve guidance for active travel appraisal.

1.8 Protecting the environment. To ensure robust valuation of environmental impacts we will:

- Maintain and expand our guidance on appraising environmental impacts, including coverage of ecosystem services and climate change effects.

1.9 Making good decisions for an uncertain future. To consider uncertainty and ensure that decisions are resilient to a variety of potential futures we will:

- Refresh our uncertainty scenario guidance to make it more proportionate and flexible for users.

1.10 Enhancing modelling methods. To leverage digital technologies and new data sources to enable modelling to optimise interventions and be used in a more dynamic way we will:

- Develop innovations in our suite of national models, including implementing a synthetic population, enabling cross-modal analysis, improving freight and land use modelling and using technology to increase computing speed.
- Improve the dissemination of national transport models, Digital Twins and model data for TAG users.

1.11 Learning from evaluation. To generate robust evidence on the impact and value for money of our investments to inform future decisions and provide a feedback loop for appraisal we will:

- Increase our focus on retrospective evaluation, undertaking evaluations of legacy projects to inform current priority areas.
- Work with local authorities and other partners to support trials of new approaches to transport delivery to enable better learning from innovation.
- Review and update DfT's evaluation guidance unit to set out good practice in evaluating the value for money of interventions.
- Undertake an evaluation study to examine cost estimations against outturns, to inform future appraisal practice for the use of cost estimates.

2. Introduction

The role of this strategy

- 2.1 Analysis is a critical enabler of the Department for Transport's (DfT's) work to ensure a safe, accessible, reliable and integrated transport network that connects people to opportunity, grows the economy, and supports a greener and healthier future for the UK.
- 2.2 Our Transport Analysis Guidance (TAG) applies the principles of HM Treasury's Green Book, the UK government guidance on appraisal, to transport.² It is relied on across the transport sector to provide a robust, evidence-based, impartial and transparent framework that captures how transport investment impacts people. This enables local, regional and national decision makers to develop transport solutions that work better for people and the places where they live while safeguarding value for money.
- 2.3 TAG has a wide range of users and interested parties. This includes decision makers at all levels of government, scheme promoters, technical practitioners, interest groups and, ultimately, the public who expect transport interventions to be assessed thoroughly.
- 2.4 TAG has been developed and refined over many years, drawing on best practice in government, industry and academia and reflecting the changing evidence needs of transport investment.
- 2.5 This strategy sets out our plans to further improve our methods and guidance over the next five years, to ensure they meet the changing needs of society and the evolving objectives of decision makers. For this strategy, we have brought together our plans for appraisal and evaluation for the first time, reflecting our intention to strengthen links between these disciplines.
- 2.6 This strategy aims to deliver powerful transport analysis, using people-focused evidence, that identifies the most effective interventions and drives value for money. It will do this by:

² [The Green Book - GOV.UK](https://www.gov.uk/government/publications/the-green-book)

- Addressing the impacts of transport that matter most to people and the places where they live;
- Reflecting the changing needs of decision making under devolution;
- Working with stakeholders to make our guidance and tools more accessible and easier to use; and
- Leveraging improvements in digital technologies and new data sources.

Development of the strategy

- 2.7 This strategy has been informed by four strands of activity: stakeholder engagement, DfT's transport strategy, revisions to the Green Book and an independent Transport Appraisal Review.
- 2.8 We have conducted extensive engagement with decision makers, planners and analysts in local and regional authorities as well as experts from academia and consultancy. We collected feedback through stakeholder workshops, sessions with TAG users and an online survey.
- 2.9 From this engagement, we learned that stakeholders value the role of TAG in providing a robust and consistent framework but want more to be done to improve its accessibility for users. They want evidence to connect well with strategic objectives. They want us to find the right balance between the competing demands of proportionality and comprehensiveness. And they want better transparency about analysis and its role in decisions. These views have informed our plans.
- 2.10 DfT's newly-published transport strategy, Better Connected, includes a priority to optimise decision making and appraisal.³ It sets out a vision for transport investment decisions that prioritise people and places, underpinned by high quality and accessible analysis.
- 2.11 We have worked with HM Treasury on the development of the revised Green Book, including the introduction of place-based business cases and improvements to appraisal of transformational change.⁴ We have shared aims to simplify guidance, encourage proportionate analysis, build capacity and capability among local partners under devolution, and improve transparency by publishing business cases. We have also contributed to and reflected revisions in the Magenta Book guidance on evaluation.⁵
- 2.12 We commissioned a new Transport Appraisal Review panel, a group of leading academics, to undertake an independent review of TAG.⁶ We asked the panel to clarify whether it has confidence in TAG as a framework for assessing the costs and benefits of transport schemes, which allows for fair comparison between different

³ [Better Connected: a strategy for integrated transport - GOV.UK](https://www.gov.uk/government/publications/better-connected-a-strategy-for-integrated-transport)

⁴ <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

⁵ <https://www.gov.uk/government/publications/the-magenta-book>

⁶ <https://www.gov.uk/government/groups/transport-appraisal-review>

project scales, geographic locations and transport modes. We also invited it to set out priorities for improvement in our guidance.

2.13 The Review found that TAG provides sophisticated and state of the art guidance that is well-suited to providing estimates of the impacts of transport projects, is comprehensive in its coverage of possible effects and provides a sound basis for informing spending decisions across a wide range of projects. This gives us confidence.

2.14 The Review also made recommendations about areas that merit greater attention, including:

- analysis of project costs;
- early-stage project design;
- the application of TAG to analysis of place-based policies; and
- facilitation of the use of TAG by stakeholders, involving clarification, simplification and guidance on proportionality.

2.15 The Review is published alongside this strategy.

The structure of this strategy

2.16 This introduction has articulated the role of the strategy, how it was developed and our approach to prioritisation. The next section, **priorities for change**, describes how we will improve our guidance and tools to better capture the ways that transport impacts people, and support effective decision making. These sections will be of interest to decision makers and planners, as well as technical users.

2.17 The remaining six sections set out our detailed plans for improving our technical guidance over the next five years:

- **Enabling economic growth:** improving the evidence base and methods around how transport can facilitate balanced economic growth across the country.
- **Improving transport for people:** developing our evidence base and methods for valuation of things that matter to people such as the quality of journeys, better health and access to services.
- **Protecting the environment:** ensuring robust valuation of environmental impacts.
- **Making good decisions for an uncertain future:** considering uncertainty and ensuring that decisions are resilient to a variety of potential futures.
- **Enhancing modelling methods:** leveraging digital technologies and new data sources to enable modelling to be used in a more dynamic way.

- **Learning from evaluation:** generating robust evidence on the impact and value for money of our investments to inform future decisions and provide a feedback loop for appraisal.

3. Priorities for change

- 3.1 This section describes our priorities for changing our guidance and tools, and their use in analysis, to better capture the ways that transport impacts people, and to support effective decision making. It seeks to address the needs of the various stakeholders for transport analysis, including decision makers, scheme promoters, technical practitioners, interest groups and the public.
- 3.2 Through the development of this strategy, these priorities have been determined through engagement with decision makers, planners and analysts in local and regional authorities about their experiences in using TAG. We have also noted the changes to the Green Book and the advice from the independent Transport Appraisal Review. These inputs have led us to identify four priorities for improvement:
- **Improving accessibility and building capability.** TAG is a robust and consistent framework (as shown by feedback from its users and the Transport Appraisal Review), but it can be difficult to access. We need to make it easier for a wide range of users to draw on our guidance.
 - **Supporting strategies and visions.** TAG needs to support users to better connect economic case evidence to the strategic case, so policy objectives are delivered in a way that ensures good value for money. This includes supporting vision-led planning and place-based objectives.
 - **Being comprehensive but proportionate.** TAG needs to balance the competing demands of comprehensiveness and proportionality. It should address emerging requirements, for example in covering transformational impacts, while keeping the scale of analysis requirements appropriate to the scale and complexity of the investment.
 - **Promoting transparent decision making.** TAG should promote better transparency about analysis and its role in decisions.
- 3.3 In addressing these priorities, we will focus on changes that are:
- the most relevant to government and stakeholder needs, such as supporting our commitment to strengthen our people-centred evidence base;

- the most material in their impact, filling important evidence gaps, such as the necessary evidence in support of transformational investment; and
- tractable, where sufficient progress can be made to warrant the resources required to deliver them.

3.4 Guided by these principles, our plans for our four priorities are described below. These are the top priorities for this strategy and most of the actions will be implemented during 2026 and 2027.

Improving accessibility and building capability

- 3.5 TAG is generally viewed by our stakeholders as providing a robust and consistent framework to assess schemes. Moreover, the Transport Appraisal Review concluded that TAG is sufficiently comprehensive in its coverage of the impacts of transport investments and provides a sound basis for informing spending decisions across a wide range of projects. However, the Review noted that the framework is not always accessible to non-technical audiences and can involve unhelpful levels of complexity. Improvements in the clarity, simplicity and transparency of guidance would support its proportionate application and reinforce the credibility of analysis outputs for decision makers.
- 3.6 We will produce clear, easier-to-follow guidance, to help improve practice in the appraisal process by building the confidence and capability of TAG users. This will enable scheme promoters to more clearly identify the impacts that really matter for people and places and design analysis to accommodate them.
- 3.7 While TAG describes how to capture these impacts, this information can get lost in articulating the benefits and costs of schemes and how they link to an area's vision and strategic goals. Similarly, the Green Book Review identified that overly long and complex guidance can obscure understanding of the level of analytical detail required for business cases. We will introduce ways to highlight the key messages of appraisal that should be prominent in the minds of decision makers.
- 3.8 A first step is to overhaul TAG's high-level units. At present there are multiple introductory units, intended to explain core principles to different audiences which have different roles and levels of knowledge. However, this can be confusing for readers. So, we will cut back and simplify this introductory content.
- 3.9 We will communicate core analytical concepts more clearly. Many aspects of appraisal are commonly misunderstood or over-emphasised by those working on or critiquing it. TAG users may benefit from making some of these concepts less abstract, through improved examples, short easy guides, videos, systems maps and AI tools. We are currently developing a proof-of-concept AI chatbot with the intention of improving signposting and accessibility of TAG.
- 3.10 The previous strategy established engagement events to explain TAG developments and share information with TAG users. Feedback from these events has told us that our stakeholders value hearing about the latest developments in TAG. These events also allow us to hear users' concerns and adapt our improvement plans to focus on

what matters most to them. We will work with partner organisations to improve our learning and development offer for the sector.

- 3.11 Several of the development areas described in later sections, such as improvements in data and model tools, may provide additional opportunities for collaboration with TAG users. Working with our partners on analysis will drive greater efficiency in model development and appraisal. Some economies of scale may be encouraged through increased sharing of data and tools.
- 3.12 **Action: We will improve the accessibility of TAG by producing simplified introductions and complementary products, such as easy guides, videos, systems maps and AI tools.**
- 3.13 **Action: We will identify further opportunities for collaboration and sharing of data and tools with TAG users.**

Supporting strategies and visions

- 3.14 Appraisal must meet the evolving needs of decision makers. As decision making becomes more devolved to authorities across the country, transport analysis must provide information about alignment with the strategic vision of those authorities, as well as national policy. It must support two parts of the 'five case model' that informs decisions on investments that use public money, the strategic and economic cases.
- 3.15 The strategic case sets out the rationale for the intervention, its alignment with local, regional or national priorities and its intended outcomes. It should be well-grounded in empirical evidence, drawing on both appraisal guidance and evaluation findings. The economic case assesses the options for achieving the intended outcomes, assessing their relative value for money. In this way, the economic case and strategic case should support each other. We will take further steps in guidance, including providing case studies, to demonstrate good practice in addressing strategic objectives.
- 3.16 We will build on our guidance on spending objective analysis to make it clearer how strategic considerations should form an early part of the appraisal process. This will help identify more options, earlier in the process, for interventions that are compatible with the strategy and vision.⁷
- 3.17 Vision-led planning, that is, holistic, outcome-focused planning for a place, is becoming a more prominent way to consider the future needs of our regions, towns and cities. Analysis has a large role to play in support of this by identifying from an early stage, during the option development process, how transport interventions can help to achieve an area's vision. We will provide guidance on how analysis may be best used in support of local visions.
- 3.18 We will provide better guidance and supporting tools for early strategic analysis, to reduce the risk that the focus of analysis during a scheme's development runs contrary to its initial aims. This includes clarifying how different evidence and analysis helps inform early-stage decisions and supports the subsequent appraisal analysis,

⁷ TAG: [spending objective analysis - GOV.UK](#)

acting as a golden thread throughout business case development. For example, this will include use of the Connectivity Tool that enables authorities to better understand the potential of interventions for particular locations.⁸

- 3.19 We recognise that local visions will integrate planning for transport with that for other sectors. The revised Green Book has identified a need for place-based business cases. The Transport Appraisal Review highlighted the importance of undertaking holistic analysis for integrated projects to capture synergies between different elements within them. Section 4 provides details of how TAG will support such analysis.
- 3.20 **Action: Improve TAG’s guidance on addressing strategic objectives and supporting vision-led planning.**

Being comprehensive but proportionate

- 3.21 We have received feedback from some stakeholders that the appraisal framework is overly complex, demanding excessive analysis and documentation. We know that this can be a particular challenge in local and regional government when resources and capacity are constrained.
- 3.22 At the same time, some stakeholders feel that appraisal doesn’t capture all impacts that are important for schemes, particularly wider economic impacts for larger schemes that have complex effects on economic geography.
- 3.23 The diversity of schemes being appraised using TAG means that the objectives of comprehensiveness and proportionality can be in tension for users of transport analysis. Moreover, we recognise that there can be risk aversion in analysis practice, whereby users may err on the side of caution in conducting more analysis than is necessary and beneficial, to forestall a risk of challenge.
- 3.24 We will publish guidelines to assist TAG users in determining what level of analysis is proportionate for schemes of different levels of scale and complexity. This will help provide confidence that analysis is sufficiently scoped and “right first time”. Case studies are often seen as a good way to communicate this.
- 3.25 We will also explore how appraisal specification, which is the definition of the scope of analysis required at each business case stage, is working in practice and how early this is being conducted. This is the critical point when proportionality is defined and agreed for individual schemes. TAG provides this advice, but more can be done to assist stakeholders to set the right balance for their appraisal.
- 3.26 **Action: We will publish clearer guidelines to assist TAG users in determining what level of analysis is proportionate for schemes of different levels of scale and complexity.**

⁸ [Connectivity Tool - GOV.UK](https://www.gov.uk/government/collections/connectivity-tool)

Promoting transparent decision making

- 3.27 The Department's recently-published transport strategy, Better Connected, sets out how transport investment decisions will prioritise the needs of people and places using high-quality, accessible and transparent analysis, ensuring that investment decisions in all regions are given a fair assessment.⁹ It seeks to promote greater transparency by making better use of the appraisal framework, presenting impacts in a clearer narrative than simple benefit cost ratios (BCRs).
- 3.28 The revised Green Book has similarly outlined that appraisal results should be set out clearly and transparently, showing the value for money of alternative options in a consistent way.¹⁰ It notes that balanced judgements about value for money should take account of factors that cannot be monetised, as well as BCRs.
- 3.29 The DfT value for money framework already reflects Green Book best practice, but we need to do more to embed this into business cases and decision making. We must go further to ensure scheme impacts covered in appraisal are presented and used to their full potential – taking into account non-monetised impacts, uncertainty and risks, alongside monetised impacts captured in the BCR. Schemes should also draw a clearer link in how they meet strategic objectives and aligning with visions.¹¹
- 3.30 **Action: We will refresh our guidance on the role of value for money in decision making, reflecting the Green Book, and develop examples of good practice.**

⁹ [Better Connected: a strategy for integrated transport - GOV.UK](#)

¹⁰ [The Green Book - GOV.UK](#)

¹¹ [TAG: spending objective analysis - GOV.UK](#)

4. Enabling economic growth

- 4.1 The government has set out a priority mission to kickstart economic growth, with the goal of raising living standards in every part of the United Kingdom. Improved connectivity enables people to access more or better jobs, boosting the employment rate and productivity, and raises living standards by cutting costs to households and businesses. It drives innovation by putting us closer to other people, their skills and ideas, allowing businesses to reach a wider pool of employees and customers. This stimulates the investment we need to get the economy and wages growing.
- 4.2 Transport interventions can also bring about wider economic impacts on investment, employment and productivity. Improvements in any of these will help promote economic growth. Analysis has a critical role in highlighting the economic growth impacts that can follow from transport investment.
- 4.3 This section focuses on two areas where we will further develop our guidance on this topic: place-based appraisal and transformational change, and wider economic impacts

Place-based appraisal and transformational change

- 4.4 We are working with HM Treasury, other departments and local and regional government bodies on the introduction of place-based business cases to bring together the strategy and analysis for the different projects that are needed to achieve the objectives of a particular place. Our engagement exercise identified support for this change among many of our stakeholders.
- 4.5 Our TAG unit on place-based analysis sets out techniques for considering the interaction of transport and place in modelling and appraisal.¹² Further work is required to enable place-based business cases which assess the impact of a set of programmes and policies on a particular location rather than assessing each programme separately.
- 4.6 Interaction between schemes must be considered in place-based appraisal to assess their economic impacts accurately. Depending on how the economic benefits of

¹² [TAG unit A4-3 place-based analysis - GOV.UK](#)

different schemes interact, they could have different estimated benefits when appraised together compared to when they are appraised separately.

- 4.7 For example, the schemes could interact in a complementary way, such that their total economic impact is greater than the total benefits of each scheme appraised separately. On the other hand, schemes may be duplicative, resulting in double counting whereby the sum of the economic benefits for each scheme could be greater than the economic benefits when they are appraised together.
- 4.8 Ensuring appraisal guidance aligns across government departments is important as place-based appraisal may group programmes from different departments together in the same business case. For example, a housing scheme from the Ministry of Housing, Communities and Local Government (MHCLG) could be grouped with a DfT-led transport scheme.
- 4.9 We are working with HMT, MHCLG and the National Infrastructure and Service Transformation Authority (NISTA) in a cross-departmental taskforce that will develop the approach to place-based business cases and test it with early adopters. This will ensure that the method of quantifying benefits for place-based appraisal is consistent across government and doesn't lead to double counting or failure to capture benefits.
- 4.10 *Dependent development* guidance captures the benefits of residential and commercial development that will only occur if a transport investment is carried out.¹³ These benefits are important for place-based and transformational schemes which often have strategic objectives about unlocking land for development.
- 4.11 Current methods to estimate dependent development are complex, so we will examine how to develop the guidance further to improve its clarity and expand coverage of modes. We will also examine assumptions about the additionality of development, that is whether it would have occurred without the transport scheme (a scheme might displace development from elsewhere, in which case it wouldn't be additional). We will ensure our guidance on additionality of development is aligned with MHCLG's appraisal guidance.
- 4.12 Dependent development can also have distributional effects. This is because a large-scale development can change the value of existing property in the area, impacting on the wealth of existing property owners and those who are purchasing property in the area. We will ensure our guidance properly accounts for these effects and what they mean for the net impact of the transport scheme.
- 4.13 **Action: We will work with other government departments to revise and align our appraisal guidance for place-based business cases and dependent development.**

Wider Economic Impacts

- 4.14 TAG currently captures a range of wider economic impacts that are quantified by using 'elasticities' - parameters that estimate the change in one variable caused by

¹³ [TAG unit A2-2 induced investment - GOV.UK](https://www.gov.uk/government/publications/tag-unit-a2-2-induced-investment)

the change in another variable - for example, the change in the number of people looking for work that is caused by a change in wage levels. We review and re-estimate these parameters periodically as part of the maintenance of TAG.

- 4.15 Additionally, we will consider whether there is a need to introduce guidance for estimating further impacts. We note the conclusion of the Transport Appraisal Review that TAG is sufficiently comprehensive to capture the important effects of transport investments across different modes and types of transport intervention, so adding further detail and complexity is, in general, not recommended. Accordingly, we will only add further impacts where we believe this could make a material difference to our understanding of the benefits of an intervention.
- 4.16 Over the next five years, we will consider revising our guidance for three types of wider economic impacts: labour market impacts, productivity impacts and land use change effects.
- 4.17 *Labour market impacts* capture the way that transport investment can help people enter employment or change where they work and what kind of jobs they decide to take. We plan to introduce a method to capture unemployment impacts – where transport investment reduces friction between workers who want a job but can't access one (known as structural unemployment). This would address a gap in TAG and sit alongside existing employment impacts already captured.¹⁴
- 4.18 We will also update methods for existing labour market impacts, to reflect new evidence that suggests that people's labour supply is more responsive to travel cost than previously thought, and refresh our approaches to valuing changes in work location (move to more or less productive jobs).
- 4.19 *Productivity impacts* capture how transport investment can make certain businesses or sectors of the economy more productive. We are undertaking a major study to refresh the method for assessing agglomeration impacts - these are productivity benefits that individuals and firms experience due to locating close to other individuals and firms. In addition, we will explore whether there are missing wider economic impacts from transport interventions that impact the freight industry.
- 4.20 We also review the treatment of international economy effects within TAG. This work will seek to develop a robust framework for capturing benefits such as: increased competitiveness from greater access to international markets and greater trade intensity; access to a skilled labour pool; and productivity spillovers from foreign direct investment.
- 4.21 *Land use change effects* capture the way that people change where they decide to work and live, or how firms change where they decide to be based, in response to a transport intervention. These decisions can lead to changes in how land is used, for example where unused land becomes viable and attracts private investment (also known as induced investment).
- 4.22 We will undertake research on whether the current approach for capturing user benefits – known as the rule of a half – could be expanded to include land use

¹⁴ [Transport analysis guidance and employment parameters - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/612222/transport-analysis-guidance-and-employment-parameters.pdf)

change, so economic benefits from that would be captured. In addition, we will conduct research on whether there are additional benefits where urban development allows firms to offer a greater variety of products and services at lower prices (known as consumption externalities).

- 4.23 **Action: We will conduct further research into the measurement of wider economic impacts and implement changes where significant improvement is possible.**

5. Improving transport for people

- 5.1 Our transport strategy, Better Connected, seeks to put people at the heart of everything we do.¹⁵ It seeks to ensure that transport will work well for people; it will be safe, reliable and accessible so they can get on in life and make the journeys they need to easily.
- 5.2 We want our analysis to capture the various ways that transport investments can deliver such outcomes for people, including how they can contribute to wellbeing, opportunities and health. This will enable decision makers to make informed choices on the planning, design and delivery of schemes to meet the needs of local communities.
- 5.3 This section sets out three areas where we plan to further develop our analysis of how people are impacted by transport:
- *Welfare appraisal*: how transport investment makes people's travel easier and quicker, opening up economic and social opportunities.
 - *Distributional effects*: how transport impacts people differently according to their characteristics and where they live and work.
 - *Health*: how better transport options can be an important factor in improving people's physical and mental health.

Welfare appraisal

- 5.4 Transport supports people's wellbeing by providing access to friends and family, services and job opportunities. Following the principles set out in HM Treasury's Green Book, TAG recommends using welfare analysis to capture the broad range of impacts resulting from transport interventions. This approach provides decision makers with information on how people's wellbeing is affected by transport, both as direct users and as citizens affected by its use by others, for example through noise or air pollution.

¹⁵ [Better Connected: a strategy for integrated transport - GOV.UK](#)

- 5.5 We recently delivered a scoping study on passenger values of travel time and reliability.¹⁶ This reviewed evidence from our 2015 national value of time study in the context of the latest academic and international studies.¹⁷ While the report found our approaches to be in line with current international best practice, it identified a need to ensure our methods reflect the latest trends in travel, including post-Covid travel patterns, increasing electrification and improved connectivity that allows people to undertake more activities while travelling.
- 5.6 We will commission a new national study of passenger values of time and reliability, building on the scoping study, to improve our understanding of how people experience different kinds of journeys and the trade-offs they make when choosing to travel. This will revisit the topic of small time savings, as well as other aspects of heterogeneity in the values of time. The Transport Appraisal Review concluded that the current coverage of small time savings is broadly correct and supported our plans to conduct a new study to update our evidence.
- 5.7 Another of our recent studies built upon the 2021 publication of Green Book Supplementary Guidance on Wellbeing to deliver a review of TAG through a wellbeing lens.^{18, 19} This report explored the role of subjective wellbeing, that is, measures of life satisfaction, happiness or anxiety, to inform transport analysis. It reviewed 24 impacts captured in TAG to explore ways in which the framework could be enhanced through subjective wellbeing approaches. It recommended further work to increase the applicability and robustness of wellbeing evidence in transport.
- 5.8 We will develop our evidence base for other aspects of wellbeing and consider updates to TAG where significant improvement is possible:
- *Freight impacts.* Building on recent updates to road freight values of travel time, we will continue to review evidence on the valuation of freight impacts to businesses, improving our understanding of the benefits accruing to Light Goods Vehicle operators, those shipping cargo, and non-road freight operators.
 - *Resilience.* We want to improve our understanding of the benefits of investments in this area for people's experience of transport systems. We have commissioned a scoping study that sets out a framework for valuing resilience impacts. This will be followed by a study to develop a methodology that can be implemented in TAG.
 - *Maintenance.* We will explore options for improving the appraisal of maintenance expenditure, both to capture its value and to guide decisions about prioritisation of repairs and maintenance standards. This is increasingly important given the ageing asset base of the UK transport network.
 - *Scheme delivery.* We will introduce guidance to help promoters measure the welfare impact of accelerating scheme delivery.

¹⁶ <https://www.gov.uk/government/publications/scoping-the-value-of-travel-time-and-value-of-travel-time-reliability>

¹⁷ <https://www.gov.uk/government/publications/values-of-travel-time-savings-and-reliability-final-reports>

¹⁸ <https://www.gov.uk/government/publications/green-book-supplementary-guidance-wellbeing>

¹⁹ <https://www.gov.uk/government/publications/transport-appraisal-and-wellbeing>

- 5.9 **Action: We will update guidance on the valuation of passenger travel time and reliability, through a national research study, and update our evidence for other aspects of wellbeing.**

Distributional effects

- 5.10 In understanding the wide-ranging effects of a transport proposal, decision makers consider how impacts will be dispersed both geographically, and across social groups. TAG provides guidance to assist promoters in identifying these effects, helping to support schemes that have a targeted impact on people's lives.
- 5.11 The TAG unit on Distributional Impact Appraisal guides promoters on how to consider the effects of a transport proposal across income groups.²⁰ To add to the methods set out in that unit, we have conducted research to explore options for the future use of distributional weights. These are factors that increase the value of benefits or costs that are experienced by lower income individuals or households, based on empirical evidence that £1 is worth more to someone on a lower income. We will build on this research to update our guidance on distributional analysis to provide decision makers with a richer understanding of how the impacts of schemes are dispersed across society.
- 5.12 Many of our stakeholders are concerned that it is difficult to make a case for place-making interventions, particularly where they disadvantage private vehicle traffic or reallocate road-space to cyclists and pedestrians. To support analysis for place-based business cases, we will develop our evidence on place quality and urban realm interventions - schemes that improve the quality of where people live and work. Such schemes often contain a substantial transport component as part of a wider investment in local communities. We will collaborate with partners across government on guidance in this area.
- 5.13 We will also build our evidence on the factors affecting bus patronage for different user groups, for example fares, and how bus services influence wellbeing and help to overcome barriers to opportunity, particularly for people on lower incomes. Alongside this, we will undertake research to improve our understanding of the benefits of measures to improve accessibility and inclusivity, to inform future appraisal guidance. DfT is also developing a measure of transport poverty, which aims to capture where poor transport connectivity and affordability limits people's access to employment and essential services. We will explore how this can support decision-making, such as identifying and providing evidence on areas where transport investments can improve people's outcomes, particularly for those on lower incomes.
- 5.14 **Action: We will update guidance on considering the distributional impacts of transport schemes.**

Health

- 5.15 As highlighted by England's Chief Medical Officer, transport, and active travel in particular, can generate significant health benefits.²¹ TAG captures how transport can

²⁰ <https://www.gov.uk/government/publications/tag-unit-a4-2-distributional-impact-appraisal>

²¹ <https://www.gov.uk/government/publications/chief-medical-officers-annual-report-2024-health-in-cities>

impact on people's health in a variety of ways including physical activity, safety outcomes, air quality and noise levels. This evidence needs to be updated periodically.

- 5.16 Accordingly, we have collaborated with partners across government on a scoping study on the valuation of risks to life and health.²² This study highlighted how these values in the Green Book (and in TAG) are in need of updating and recommended a new primary study to re-estimate values.
- 5.17 Building on this scoping study, we will collaborate across government and academia in commissioning primary research to re-estimate the values of life and health to ensure that they are up-to-date. This will include re-estimation of the value of a life year and the value of a prevented fatality.
- 5.18 **Action: We will collaborate across government to deliver a primary study on values of life and health, to re-estimate the values used in our guidance.**
- 5.19 The establishment of Active Travel England (ATE) as the executive agency responsible for walking, wheeling and cycling has provided impetus for the development of analysis for active travel schemes. We will work with ATE in further building our evidence and guidance on how active travel schemes impact people's travel behaviour, and resulting health outcomes. This will build upon research published by ATE in 2025 which identified ways to improve active travel appraisal.²³
- 5.20 Working with ATE, we will consider how evidence about the morbidity impacts of active travel, for example the benefits of physical activity on the quality of a person's physical and mental health, should be reflected in appraisal.
- 5.21 We will also support ATE in their programme of research to further develop active travel demand forecasting tools and guidance.
- 5.22 More generally, we will continue to review and develop evidence on the impacts of active travel, including capturing the benefits of interventions that make active travel safer, quicker or more comfortable.
- 5.23 **Action: We will collaborate with Active Travel England to build evidence and improve guidance for active travel appraisal.**

²² <https://www.gov.uk/government/publications/valuation-of-risks-to-life-and-health-monetary-value-of-a-life-year-voly>

²³ [Estimating the benefits of active travel investment - GOV.UK](#)

6. Protecting the environment

Strategic context

- 6.1 Transport interventions can have significant impacts on the environment, both positive and negative, across multiple dimensions, including greenhouse gases, air quality, noise, biodiversity, landscape, historic environment and the water environment.
- 6.2 Reducing the harmful environmental impacts of transport is a core government priority. The government is committed to delivering a cleaner, more efficient, and better integrated transport system, as set out in the Carbon Budget and Growth Delivery Plan through decarbonising transport to support the government's mission to make Britain a clean energy superpower.^{24,25} This is alongside the Environmental Improvement Plan 2025 which sets out DfT's programme to tackle air pollution, helping delivery of the government's statutory long-term PM2.5 targets.²⁶ Additionally, the Climate Adaptation Strategy for Transport sets a vision for a well-adapted transport system that is resilient to the changing climate.²⁷
- 6.3 Robust appraisal of environmental impacts can support these aims. This section sets out our plans to maintain, update and expand our guidance and supporting tools in this area.

Maintaining and improving guidance

- 6.4 We will continue to update our carbon appraisal guidance to reflect emerging evidence or new values published by the Department for Energy Security and Net Zero (DESNZ). In addition, we will ensure our projections for electric vehicle uptake and fuel efficiency reflect the latest published data and firm and funded policy plans.
- 6.5 We will also develop link-based analysis tools for indirect tax and air quality, building on the recently published Vehicle Emissions Carbon Tool (VECAT) for carbon emissions.

²⁴ <https://www.gov.uk/missions/>

²⁵ [Carbon budget and growth delivery plan - GOV.UK](#)

²⁶ [Environmental Improvement Plan 2025 - GOV.UK](#)

²⁷ [Climate adaptation strategy for transport - GOV.UK](#)

6.6 We will maintain up-to-date noise and air quality values in line with the latest evidence through engagement with the Department for Environment, Food and Rural Affairs (Defra) and the Interdepartmental Group on Costs and Benefits subject groups for noise and air quality. In particular, we will explore potential changes to TAG following the Aviation Night Noise Effects study and Aviation Noise Attitudes survey.^{28, 29}

Broadening our approach

6.7 We also want to expand and reshape parts of our guidance to allow improved analysis of aspects of environmental impacts, where these impacts are of particular relevance and importance for individual appraisals.

6.8 We will review the treatment of *ecosystem services* – services provided by the environment that underpin people’s economic, personal and social wellbeing. In doing so, we want to reflect recent important developments, notably Defra’s Enabling a Natural Capital Approach framework.^{30, 31}

6.9 We plan to build on our 2020 publication of new landscape values and guidance by commissioning a scoping study on the incorporation of environmental ecosystem services into guidance, while also exploring options for addressing specific services such as recreation and visual amenity.^{32 33}

6.10 We will also consider climate change, following the 2026 Green Book which states that appraisal needs to account for 2°C and 4°C warming scenarios. Adapting the transport system to be more resilient in these scenarios remains a key policy challenge. We will develop complementary updates to TAG to help ensure that transport policies, programmes and projects are resilient to climate change.³⁴

6.11 Action: We will maintain and expand our guidance on appraising environmental impacts, including coverage of ecosystem services and climate change effects.

²⁸ <https://researchcentres.citystgeorges.ac.uk/population-health/our-projects/aviation-night-noise-effects-anne-fags>

²⁹ <https://www.caa.co.uk/passengers-and-public/environment/noise/aviation-noise-attitudes-survey/>

³⁰ <https://www.gov.uk/guidance/enabling-a-natural-capital-approach-enca>

³¹ TAG unit A3, Section 5 describes a qualitative ‘natural capital’ style approach, recommended for landscape, townscape, historic environment, biodiversity, and water environment impacts. In addition, separate Value for Money guidance supports the quantification of landscape impacts (as “indicative monetised impacts”): <https://assets.publishing.service.gov.uk/media/673e1cc22ff787d4e01b08d5/value-for-money-supplementary-guidance-on-landscape.pdf>.

³² https://assets.publishing.service.gov.uk/media/5fd106f9e90e07562f9828b2/valuation_of_landscape_impacts_of_transport_interventions-document.pdf;
<https://assets.publishing.service.gov.uk/media/682c89b3d112b221dce8ed13/tag-workbook-landscape-monetisation.xlsm>.

³³ For example, the OrVAL web-based tool supports the assessment of recreation impacts (<https://leep.exeter.ac.uk/orval/>).

³⁴ <https://www.gov.uk/government/publications/green-book-supplementary-guidance-environment>

7. Making good decisions for an uncertain future

- 7.1 Most transport schemes are expected to last for many years into the future and so, to make the right choices, we must consider what that future might look like as well as what we want it to look like.
- 7.2 Consideration of the future is important in addressing uncertainties about the assumptions and parameter values in transport and economic models, such as the economic growth rate or the future size of the population.
- 7.3 There is also considerable uncertainty around the future of the transport system, with trends in behaviour, technology, climate, and decarbonisation driving significant change over time. These trends, combined with various other areas of uncertainty, such as local dependencies, create the need to ensure that decisions are resilient to a variety of potential futures.

Refreshing our approach to scenarios

- 7.4 We have identified a strategic need to refresh our guidance on scenarios to make it more useful and easier to understand, informed by feedback from users. The feedback identified that the current approach is not appropriate for all users and can be hard to interpret for decision makers.^{35 36}
- 7.5 The refresh will implement the following:
 - A more flexible approach to scenarios – schemes will be able to consider more bespoke and more relevant scenarios.
 - A focus on what you have to believe (i.e. what needs to be true for) a scheme to be a success or failure in delivering its objectives and value for money. This will support decision makers in interpreting the uncertainty analysis.

³⁵ [TAG unit M4 forecasting and uncertainty - GOV.UK](#)

³⁶ [TAG uncertainty toolkit - GOV.UK](#)

- 7.6 More information about our plans can be found in our published summary of upcoming changes to uncertainty scenario guidance.³⁷ We have also published an updated version of the Common Analytical Scenarios (CAS), but this is the last time they will be published in their current form.
- 7.7 **Action: We will refresh our uncertainty scenario guidance to make it more proportionate and flexible for users.**

³⁷ [TAG uncertainty scenarios: upcoming changes - GOV.UK](#)

8. Enhancing modelling methods

- 8.1 In support of the analytical plans in this strategy, we will enhance our modelling methods by leveraging digital technologies and new data sources. We will improve the speed and flexibility of transport modelling to enable it to be used in a more dynamic way to support vision-led planning in local government and the wider transport sector.
- 8.2 One driver of change is the need to develop models that allow integrated, cross-modal analysis for policy-making and investment planning by our local, regional and national partners. This includes supporting the development of place-based analysis. Modelling should enable different types of transport to be considered as options to address a policy objective at an early stage, avoiding premature commitment to specific options that may not maximise value for taxpayers' money.
- 8.3 Within the Department, we are modernising our modelling approaches by improving the speed and automation of routine processes, enhancing interoperability between tools, and making outputs more accessible to non-technical audiences. We will lead in developing cutting-edge, transparent, and accessible modelling methods that support local and national needs.
- 8.4 As we develop new models and methods, we will share our experience with partners, to improve the capability and capacity of those undertaking transport appraisal across the country.
- 8.5 This section describes our plans under the following themes:
 - Exploring new modelling approaches for cross-modal policy
 - Improving our models
 - Making a step change in freight analysis
 - Developing digital twins for network resilience
 - Exploring novel data sources

Exploring new modelling approaches for cross-modal policy

- 8.6 Our transport strategy, Better Connected, set the ambition to develop our modelling tools to better capture ways in which transport investment impacts people and places.³⁸ We are investing in a variety of modelling approaches such as activity-based modelling, and land-use modelling, to increase the capability of our modelling suite for this purpose.³⁹ These methods offer valuable insights for cross-modal policy development, strategic planning, and network resilience. They focus on the activities people want to do throughout their day, such as work, shopping, education and how they travel between them, helping us to better understand how people use the transport network and what they truly need for more integrated journeys.
- 8.7 We intend to share prototype models with the wider modelling community to enable advancement in cross-modal modelling techniques. We will also explore the potential use of such models in appraisal.

Improving our models

- 8.8 We're transforming our national models into next-generation platforms that are transparent, adaptive, and integrated with digital technologies. By leveraging advanced computing and cloud-based technology, we will enable rapid scenario testing, early optioneering for better value interventions, and more cost-effective evaluations using real-world data. These improvements will allow more powerful and insightful national strategic analysis within DfT.
- 8.9 As we progress, we will share our expertise, learnings and model data to ensure these benefits are widely accessible across the transport industry. We expect that improvements in modelling can help stakeholders with strategic planning, enabling them to refine their visions with better access to evidence, supporting capacity and capability.
- 8.10 We are enhancing our demand forecasting methodology by developing a new synthetic population. This is a computer-generated version of a real population, built from data so it reflects people's characteristics and travel patterns without using personal information. It allows us to model how different types of people move and interact across the transport network, helping us design systems that truly meet their needs. The next update to our National Trip End Model (NTEM) will integrate these data to enhance the model's forecasting performance and support wider modelling applications, such as agent-based and activity-based modelling.

Making a step-change in freight analysis

- 8.11 Freight logistics and the efficient movement of goods across the country are vital for economic growth. The nature of freight has changed significantly in recent years with increased e-commerce and prevalence of home delivery, having consequences for

³⁸ [Better Connected: a strategy for integrated transport - GOV.UK](#)

³⁹ Agent-based methods simulate how individuals make travel decisions and interact with others and their environment. Activity-based demand modelling considers that travel demand is derived from people's needs and desires to participate in activities. This approach requires detailed modelling of individuals and their activities.

local transport networks. By understanding current and future freight flows, we can make informed decisions about where to invest in infrastructure like roads, railways, and ports.

- 8.12 We will build a new cross-modal freight modelling system to help understand and better forecast freight movements across different transport modes and how these might change in response to investments and policies. This will include a new van model to better distinguish between personal, service and delivery trips. Associated research, learning and data collection will also help to provide improved guidance and data sharing to support freight modelling across investments.

Developing Digital Twins for network resilience

- 8.13 The Department is exploring how AI, machine learning, and Digital Twins can improve transport modelling. We are already leading a groundbreaking project that uses AI and Digital Twin technology to simulate and understand disruptions across the transport network in real time.
- 8.14 By creating a dynamic, data-driven replica of the transport system, we can test scenarios, predict cascading impacts, and identify the most effective interventions before crises happen. This approach will improve resilience and enable proactive decision-making.

Exploring novel data sources

- 8.15 We are considering how to address data gaps, for example where we are reliant on outdated pre-pandemic datasets. We are looking at innovative ways of collecting data and exploring the use of large datasets to fill the gaps in our understanding of current travel behaviours.
- 8.16 DfT has recently published its [Transport Data Action Plan \(DAP\)](#) that will position data as a core asset, promoting its sharing across modes and boundaries to deliver actionable insights. By driving increased availability, improved cataloguing, enhanced local capability, and best practice sharing of data, the DAP will enable analytical models to draw on broader, linked datasets, which support analysis of behaviour, needs, and cross-modal transport solutions.
- 8.17 **Action: We will develop innovations in our suite of national models, including implementing a synthetic population, enabling cross-modal analysis, improving freight modelling and using technology to increase computing speed.**
- 8.18 **Action: We will improve the dissemination of national transport models, Digital Twins and model data for TAG users.**

9. Learning from evaluation

Strategic context

- 9.1 DfT uses monitoring and evaluation to collect evidence about the effectiveness of our interventions in achieving their intended outcomes. This provides accountability and a strong evidence base to guide future policy development, investment decisions, delivery and appraisal.
- 9.2 Since 2013, we have established a strong programme of evaluation, building evaluation capability within the Department and developing evaluation workstreams which cover our principal activities. In total, we have published more than eighty DfT evaluation reports over this period.
- 9.3 In November 2022, we published a TAG unit on evaluation, which provides an overview of good practice in planning the evaluation of transport interventions.⁴⁰ This is intended to support increased consistency of our evaluation approaches across the DfT portfolio.
- 9.4 Since 2020, there has been an increasing focus on evaluation in government, led by the Evaluation Task Force, a joint Cabinet Office-HM Treasury unit. The task force has increased scrutiny of the quality of evidence underpinning spending proposals, launched the cross-government Evaluation Registry to collate information on government evaluations, and undertaken a review of evaluation for government major projects.^{41, 42, 43} DfT has supported these developments.
- 9.5 This section sets out our plans to build on the progress to date, to shape an evaluation programme that provides practical, evidence-based learning to inform future analysis and decision making. We describe our guiding principles for evaluation and three areas for improvement.

⁴⁰ [TAG unit E-1 evaluation - GOV.UK](#)

⁴¹ [Evaluation Task Force - GOV.UK](#)

⁴² [Home - Evaluation Registry - GOV.UK](#)

⁴³ [Government Major Projects Evaluation Review - GOV.UK](#)

Our guiding principles and areas for improvement

- 9.6 We have developed a set of guiding principles for our evaluations, which reflect our practical learnings from the delivery of transport evaluations as well as the priorities set out within this theme.
- *We will collect proportionate evidence for DfT's portfolio.* We will collect proportionate evidence by matching evaluation activity to the need and opportunity for good-quality evidence. Our key considerations for prioritisation will be the scale of investment, the strategic importance of the intervention, and the potential contribution of the evaluation to our evidence base, including evidence to inform future appraisals.
 - *We will be evidence-driven and methods-neutral.* Our evaluation approaches will be designed to deliver the best-value of evidence for specific projects. This will involve counterfactual-based designs, where these are feasible and appropriate. Where experimental or quasi-experimental approaches cannot be used, we may use theory-based impact evaluation approaches which examine the mechanisms by which programmes are expected to deliver their benefits.
 - *We will build stronger links between evaluation and appraisal.* We will support analysts to embed evaluation planning early, in the appraisal phase, by identifying appraisal assumptions to be tested and designing evaluation approaches which enable comparison of the observed outcomes with appraisal forecasts. Where appropriate, evaluations will provide ex-post benefit-cost ratios which can corroborate appraisal assumptions and inform future appraisals.
 - *Evaluation will be embedded in development and delivery of interventions.* We will work collaboratively with policy officials and project delivery specialists to ensure that we understand key policy questions, delivery plans and benefits management activities, and shape our evaluation designs according to evidence needs.
 - *We will match evidence to decision points.* In planning evaluations, we will identify and exploit opportunities to use the evidence collected to inform decisions, including about continuation or roll-out, adjustments to delivery and the appraisal of future projects which have similar characteristics.
- 9.7 We have also identified three areas for improvement in our evaluation practice: improving our use of evaluation evidence, enhancing guidance on good practice and developing our value for money evaluation. These are described below.

Improving the use of evaluation evidence

- 9.8 As our evaluation programme has become more established, the volume of available evaluation evidence for transport interventions has increased. Our stakeholders have highlighted the importance of improving awareness and understanding of evaluation findings. Doing so can enable teams preparing new business cases to draw on evidence from previous evaluations.

- 9.9 The Green Book Review highlighted the importance of transparency in decision making. Publication of evaluation findings can further support this process by demonstrating the outcomes and impacts of the decisions made, and providing feedback which can be used to inform development and appraisal of future schemes. Accordingly, we will continue to publish DfT evaluation reports and register them on the Evaluation Registry.
- 9.10 Our stakeholders have highlighted the importance learning from evaluation of previous investments to inform new investments. We will support our stakeholders in making best use of the evaluation evidence in the strategic and economic business cases for new investments.
- 9.11 The potential of interventions to bring about transformational change is of interest to our stakeholders and is addressed in the revised Green Book and the Transport Appraisal Review. We published an evaluation study that examined the contextual factors which unlock transformational impacts of transport projects for individual areas.⁴⁴ We will continue to build evidence on this topic.
- 9.12 Retrospective evaluations can help address cross-cutting evidence priorities such as this, by providing evidence on the scale of impact for similar past interventions. We will look to identify new opportunities for such evaluations.
- 9.13 **Action: We will increase our focus on retrospective evaluation, undertaking evaluations of legacy projects to inform current priority areas.**

Enhancing guidance on good practice

- 9.14 Building on our publication of a TAG unit on evaluation in autumn 2022, we will continue to improve and refine our published guidance, tools and resources to increase the consistency of evaluation approaches for transport.⁴⁵ In developing these, we will draw in practitioners in appraisal, as well as evaluation specialists, to improve how we embed evaluation planning during appraisal.
- 9.15 The Green Book Review highlighted gaps in analytical capacity and capability across the public sector. We recognise the importance of addressing this challenge and will provide guidance and tools to help our delivery partners to implement effective evaluations.
- 9.16 In the context of devolution, we will continue to improve evaluation guidance and resources for local authorities. Our recently updated Benefits Management and Evaluation Framework for Local Major Schemes was published in June 2025, providing more detailed guidance on benefits management, assessment of outturn value for money, and suggested metrics for consistent data collection, as well as more supporting documents to help scheme promoters meet the framework's requirements.⁴⁶

⁴⁴ [Transformational impacts of transport - GOV.UK](#)

⁴⁵ [TAG unit E-1 evaluation - GOV.UK](#)

⁴⁶ [Local authority major schemes: benefits management, monitoring and evaluation framework - GOV.UK](#)

- 9.17 We will provide more intensive analytical support to local authorities who wish to trial and evaluate new approaches to transport delivery, through a new Transport Evaluation Support for Trials (TEST) programme. This programme will focus on areas where evidence can provide value to other stakeholders in the transport sector, so enabling better learning from innovation.
- 9.18 **Action: We will work with local authorities and other partners to support trials of new approaches to transport delivery to enable better learning from innovation.**

Developing our value for money evaluation

- 9.19 It is essential that we understand the value for money delivered by our interventions, to guide future decision making and help us understand whether past interventions were a good use of resources. Our focus on this area reflects the increased attention to it in HM Treasury's revised Magenta Book 2026.⁴⁷
- 9.20 Using evaluation evidence across portfolios of schemes can help us identify any assumptions used in appraisal and modelling which may need to be revised. Value for money evaluation therefore provides important feedback on the analysis undertaken at the appraisal stage.
- 9.21 The Transport Appraisal Review has recommended that project costs need deeper investigation and more rigorous challenge as part of TAG and the appraisal process. We recognise that this area merits more attention and will undertake an evaluation study to examine cost estimations against outturns for a range of completed transport projects. This will include reviewing optimism bias uplifts as well as the processes and models used to estimate base costs and quantify risks. The study findings will inform future appraisal practice for the use of cost estimates.
- 9.22 In addition, we will encourage analysts involved in appraisal to be active customers for evaluation evidence from past interventions and to store their analysis so that it can be used in evaluation. We will update our TAG evaluation unit to reflect these points.
- 9.23 **Action: We will review and update DfT's evaluation guidance unit to set out good practice in evaluating the value for money of interventions.**
- 9.24 **Action: We will undertake an evaluation study to examine cost estimations against outturns, to inform future appraisal practice for the use of cost estimates.**

⁴⁷ <https://www.gov.uk/government/publications/the-magenta-book>