

Key Commercial Dimension elements in line with DfT guidance

Key Commercial Dimension elements to be addressed across Business Case stages	OBC 2020*	Updated in Commercial Dimension Addendum	New in Commercial Dimension Addendum**
Elements that should be outlined at SOBC and completed at OBC stage			
Output-based specification – summarise the requirement in terms of outcomes and outputs, supplemented by full specification as an annex			✓
Procurement strategy – detail the procurement and purchasing options including how they will secure the economic, social and environmental factors outlined in the economic dimension			✓
Elements that should be outlined at SOBC and completed at FBC stage			
Human resource issues – describe any personnel, people management and trade union implications, where applicable, including TUPE regulations	✓		
Elements that should be outlined at OBC and completed at FBC stage			
Sourcing options – explain the options for sources of the provision of services to meet the business need: this may include partnerships, frameworks and/or existing supplier arrangements, with the rationale for selecting preferred sourcing option. The availability of third-party funding (TPF) should be considered from local developers and local revenue sources. Options for private finance funding should be discussed with the DfT Corporate Finance Centre of Excellence.			✓
Payment mechanisms – set out the proposed payment mechanisms that will be negotiated with the providers (for example, linked to performance and availability, providing incentives for alternative revenue streams)	✓	✓	
Pricing framework and charging mechanisms – include incentives, deductions and performance targets	✓		
Risk allocation and transfer – present an assessment of how the types of risk might be apportioned or shared, with risks allocated to the party best placed to manage them subject to achieving value for money.	✓		
Contract length – set out scenarios and rationale for contract length, including proposed key contractual clauses	✓	✓	
Contract management – provide a high-level view of implementation timescales: detail additional support for in-service management during rollout and closure and set out arrangements for managing the contract through project or service delivery		✓	

* Outline Business Case - Commercial Case 2020 (403394-MMD-BCA-00-RP-BC-0231 Rev C)

** New section added to the OBC, or existing section in the OBC replaced by this Commercial Dimension Addendum