NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.

JOSIE WRAGG
Chief Executive
Apologies for absence.

1. Declarations of Interest

   *It is a principle of the BLTB that the interests of the Thames Valley Berkshire area will take precedence over a member’s own interests or those of their nominating authority.*

   *All members must declare, and take relevant action, if they believe they have a pecuniary or other interest on a matter to be considered at the meeting in accordance with the Code of Conduct of the nominating authority or LEP.*

   *The Chair will invite any member representing a local authority seeking financial approval for a scheme to declare that interest.*

2. Minutes of the Meeting held on 18th July 2019

3. Briefing Note - TVB LEP/BLTB ‘How We Work’

4. Thames Valley Berkshire Local Growth Deal 2015/16 to 2020/21

5. Thames Valley Berkshire Local Growth Funds - Call for bids - Process

6. Financial Approval 2.35 Reading: Reading West Railway Station Upgrade

7. Financial Approval 2.37 Bracknell: A322/ A329 Corridor Improvements


9. Financial Approval 2.43 Wokingham: Barkham Bridge

10. Transport for the South East - Subscription Report Update

11. TFSE Draft Transport Strategy - consultation response

12. BLTB Forward Plan

13. Date of Next Meeting - 12th March 2020
Press and Public

You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before the Committee considers any items in the Part II agenda. Please contact the Democratic Services Officer shown above for further details.

The Council allows the filming, recording and photographing at its meetings that are open to the public. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings. Anyone proposing to film, record or take photographs of a meeting is requested to advise the Democratic Services Officer before the start of the meeting. Filming or recording must be overt and persons filming should not move around the meeting room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non hand held devices, including tripods, will not be allowed unless this has been discussed with the Democratic Services Officer.
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Berkshire Local Transport Body – Meeting held on Thursday, 18th July, 2019.

Present:-
Councillor Anderson Slough Borough Council
Councillor Brunel-Walker Bracknell Forest Council
Councillor Johnson RBWM
Councillor Page Reading Borough Council
Simon Ratcliffe Thames Valley Berkshire LEP
Councillor Richards (deputising for Cllr Jorgensen, from 4.11pm) Wokingham Borough Council
Matthew Taylor Thames Valley Berkshire LEP

Also present under Rule 30:- Councillor Atkinson (Bracknell Forest Council)

Apologies for Absence:- Councillors Somner and Jorgensen, Stuart Atkinson, Charles Eales, Malcolm Kempton and Bob Mountain

PART 1

1. Declarations of Interest

No declarations were made.

2. Election of Chair 2019/20

Nominations were invited for the Chair of BLTB for the forthcoming municipal year. The Founding Document stated that a Local Authority Member should chair BLTB.

Councillor Page was proposed by Councillor Anderson and seconded by Simon Ratcliffe.

There being no other nominations, Councillor Page was elected as Chair for the next year.

Resolved – That Councillor Page be elected as Chair of BLTB for the 2019/20 municipal year.

(Councillor Page in the Chair for the remainder of the meeting)

3. Election of Vice-Chair 2019/20

Nominations were invited for the Vice-Chair of BLTB for the forthcoming municipal year. It was confirmed that the Founding Document of the BLTB required that the Vice-Chair be from the Local Enterprise Partnership members.

Charles Eales was proposed by Simon Ratcliffe and seconded by Councillor Brunel-Walker.
There being no other nominations, Charles Eales was elected as Deputy Chair for the next year.

**Resolved** – That Charles Eales be elected as Vice-Chair of BLTB for the 2019/20 municipal year.

4. **Minutes of the Meeting held on 14th March 2019**

**Resolved** – That the minutes of the meeting of the Berkshire Local Transport Body (BLTB) held on 14th March 2019 be approved as a correct record.

5. **Briefing Note - TVB LEP/BLTB 'How We Work'**

Members noted a briefing note that summarised the process by which Thames Valley Berkshire LEP and the Berkshire Local Transport Body operated in investing in local transport schemes. The LTB would consider reports later in the agenda about the LTB Assurance Framework and Prioritisation Methodology which had been reviewed to ensure they remained fit for purpose and aligned to the TVB LEP Assurance Framework.

**Resolved** – That the BLTB ‘How We Work’ briefing note be noted.

6. **Thames Valley Berkshire Local Growth Deal 2015/16 to 2020/21**

A report was received on the progress of the Thames Valley Berkshire Local Growth Deal which set out the status of approved schemes, updated financial profile and identified risks.

A correction was noted to Table 4 – Completed Schemes, in that 2.19 Bracknell: Town Centre Regeneration one-year-on impact report had been submitted in March 2019.

Updates were provided by scheme promoters on each of the approved schemes:

2.01 Newbury: Kings Road Link Road – update noted.

2.02 Bracknell: Warfield Link Road – completed. The scheme was working well.

2.03 Newbury: London Road Industrial Estate – completed.

2.04: Wokingham: Distributor Roads – update noted. The Full Business Case had been submitted to DfT and a Ministerial Decision was awaited. A report would be considered later on the agenda.

2.05 Newbury: Sandleford Park – update noted.
2.06 Reading: Green Park Railway Station – update noted. A report would be considered later on the agenda regarding the use of unallocated funds.

(Councillor Richards joined the meeting)

2.07 Bracknell: Coral Reef Roundabout – completed.

2.08 Slough: MRT Phase 1 – completed.

2.09.1 Sustainable Transport NCN 422 – update noted. Work was substantially complete.

2.09.2 Sustainable Transport A4 Cycle Route with Bucks – completed.

2.10 Slough: A332 Improvements – update noted. Work was due to be completed within the next month.

2.11 and 2.12 Reading: South Reading MRT phases 1 and 2 – update noted. Phase 1 was complete and Phase 2 was in construction and nearing completion.

2.13 Wokingham: Thames Valley Park & Ride (previously called 2.13 Reading: Eastern Park & Ride) – update noted.

2.14 Reading: East Reading MRT Phase 1 and 2.25 Reading: East Reading MRT Phase 2 – withdrawn.

2.15 Bracknell: Martins Heron Roundabout – update noted.

2.16 Maidenhead Station Access – update noted. Work on site was underway.

2.17 Slough: A355 Route – completed.

2.18 No scheme.

2.19 Bracknell: Town Centre Regeneration and Infrastructure Improvements – completed.

2.20 No scheme.

2.21 Slough: Langley Station Access Improvements – update noted. Second phase works would start next week.

2.22 Slough: Burnham Station Access Improvements – completed.

2.23 Reading: South Reading MRT Phases 3 and 4 – update noted.

2.24 Newbury: Railway Station improvements – update noted. The scheme was progressing well and was on track.
2.25 – see 2.14.

2.26 Wokingham: Winnersh Relief Road (Phase 2) – update noted.

2.27 Maidenhead Town Centre: Missing Links – update noted. Detailed design was well advanced with construction due to start later in the year.

2.28 Bracknell: A3095 Corridor Improvements – update noted. Detailed design was progressing well with start on site due at the end of 2019 or early 2020.

2.29 Wokingham: Winnersh Parkway – update noted. The scheme was entering the planning process. A question was raised about pedestrian access in the vicinity of the site and the plans were explained.

2.30 Thames Valley Berkshire Smart City Cluster – good progress was being made and the scheme was on track. The focus of Phase 1 was on assisted living with a stronger transport element in Phase 2.

2.31 Slough: Stoke Road Area Regeneration – update noted. A report would be considered later on the agenda.

2.32 Maidenhead: Housing Sites Enabling Works Phase 1 – update noted. Detailed growth modelling and design was underway.

2.33 GWR: Maidenhead to Marlow-Branch Line Upgrade – update noted. Progress was being made to overcome the challenges of the constrained site, but there had been a delay of circa 2 months as the track and signalling design process had not been agreed. It was anticipated that the Approval in Principle to Network Rail was due to be submitted later in July.

2.34 Slough MRT Phase 2 – update noted. Work was expected to start in the third quarter of the year.

2.35 Reading West Station Upgrade – update noted. Survey work was taking place and the scheme promoter was on track to bring the Full Business Case to BLTB in November 2019.

2.36 Wokingham: Coppid Beach Park and Ride – update noted. The planning process had been started. The Full Business Case was expected in 2020.

2.37 Bracknell: A322 A329 Corridor Improvements – update noted. A report would be considered later on the agenda.

2.38 Theale Station Park and Rail Upgrade – update noted.

2.39 Wokingham: Coppid Beech northbound – update noted.
2.40 Windsor: Town Centre Package – update noted. RBWM was reviewing its priorities for the town centre taking account of the emerging hostile vehicle mitigation scheme. The scheme promoter was working to bring the Full Business Case to BLTB in November, although the timescales were tight.

2.41 South Wokingham Distributor Road Eastern Gateway – update noted.

2.43 Wokingham: Barkham Bridge – update noted.

Resolved – That the progress made on schemes previously given programme entry status be noted.

7. **Allocation of the remaining Local Growth Funds**

A report was considered that recommended allocating the remaining £1.9m of Local Growth Funds (LGF) to an innovation project and two transport projects.

Thames Valley Berkshire LEP had secured £142m LGF through three Growth Deals with central government and only £1.9m remained unallocated. 2019/20 was the penultimate year of the six-year LGF programme and it was therefore necessary to allocate the remaining funds. The proposal was to invest a further £800k in scheme 2.37 Bracknell: A322/A329 Corridor Improvements to take the total LGF allocation to £2.00m; an additional £550k to 2.06 Reading: Green Park Railway Station to take the total to £9.7m; and £500k for a non-transport innovation scheme.

Members discussed each of the schemes in turn. The innovation scheme would unlock £1.65m ERDF to respond to the needs of SMEs in providing flexible business space. BTLB approved the £500k allocated to the scheme.

The A322/A329 improvements would tackle a significant bottleneck in the strategic corridor between the M4 and M3 and the reasons for the additional funding request were outlined. There was a significant amount of development in the corridor which would be supported by the scheme, including growth plans for around 6,400 new dwellings. The enhanced scheme could provide additional capacity improvements of 40% in the peak hours over and above the original scheme. Members discussed the potential risk of cross-boundary working; the possible displacement of congestion elsewhere in the corridor; and whether there were any future plans for bus priority measures. It was confirmed that the scheme was entirely in the control of Bracknell Forest Council and no cross-boundary issues were therefore envisaged. Bracknell Forest Council would closely monitor the impacts in the corridor and wider network, including the Two Bridges roundabout and would consider any improvements in the future although it was not considered likely that a bus lane would be appropriate on the route. BLTB agreed the additional funding for the scheme.

The Green Park Railway Station was a significant scheme to deliver a new station and multi-modal interchange. Members were updated on the recent progress that had been made to close the funding gap that had arisen due to
re-categorisation and subsequent redesign of the station to accommodate the projected higher passenger numbers. A bid had been submitted to the New Stations Fund and discussions had taken place with Network Rail and GWR to review scheme costs. The scheme promoter expressed a high level of confidence that the funding could be secured if the additional LGF contribution was agreed, although BLTB noted that it was not guaranteed. Members discussed the lessons learned which included the challenges arising from changing the delivery method from Network Rail to the local authority and “scope creep” resulting in rising costs. Members commented that the LEP would be making a significant investment of around £35m in rail schemes and emphasised the importance of rail partners working collaboratively to successfully deliver the schemes. The additional funding was then agreed.

Resolved –

(a) That the remaining LGF be allocated to three different projects that would contribute to the implementation of the Strategic Economic Plan (SEP), including one non-transport project.

(b) That, of these three projects, 2.37 Bracknell: A322/A329 Corridor Improvements receive a further allocation of £800k LGF, to take the total allocated for this scheme to £2.00m and that 2.06 Reading Green Park Railway Station receive a further allocation of £550k LGF, to take the total allocated for this scheme to £9.700m.

8. Financial Approval for scheme 2.04.4 Wokingham: Arborfield Cross Relief Road

A report was considered that sought approval for scheme 2.04.04 Wokingham: Arborfield Cross Relief Road. Due to the value of the scheme, it had been categorised by the Department for Transport (DfT) as a ‘retained scheme’ and ‘Assurance Framework’ matters were being managed by the DfT. Conditional approval was sought subject to Ministerial approval.

The Arborfield Cross Relief Road would provide relief to the existing A327 through the village of Arborfield and the Arborfield Cross Gyratory to accommodate and reduce the traffic impacts of strategic development at Arborfield Garrison and South of the M4. Members recognised the importance of the scheme in facilitating significant development in the area and asked for clarification about when the DfT would make a decision. A DfT representative confirmed that a recommendation had been put to the Minister and a decision was expected shortly.

After due consideration, the LTB agreed to give financial approval to the scheme, conditional on Ministerial approval.

Resolved – That conditional approval be given to the scheme, for £22,125,824 in 2019/20 and £1,000,000 in 2020/21. The terms of the funding agreement are set out at paragraph 14, step 5 of the report, and subject to the following condition:
That the scheme business case, submitted on 31 May 2019 to the Department for Transport, received Ministerial approval.

9. **Financial Approval for scheme 2.31 Slough: Stoke Road Area Regeneration**

A report was considered that sought financial approval for scheme 2.31 Slough: Stoke Road Area Regeneration. A total sum of £7,650,000 was requested over two years.

The Stoke Road corridor improvements comprised of sustainable transport infrastructure and highway works to promote the regeneration of six major brownfield sites at Stoke Road and improved interchange and parking at Slough station. The scheme had a high Benefit Cost Ratio of over 4 to 1 and was recommended for full financial approval.

The scheme would open access to the Slough Canal Basin and Members queried whether there was likely to be any local opposition from interested parties. It was noted that engagement had already taken place with Friends of Slough Canal and there was general support for the regenerations projects that would be unlocked by the scheme as they would enhance the area and access to the canal basin. The Stoke Wharf development was a joint venture with Canal & River Trust.

At the conclusion of the discussion the scheme was given financial approval.

**Resolved** – That scheme 2.31 Slough Stoke Road Area Regeneration be given full financial approval in the sum of £2,500,000 in 2019/20 and £5,150,000 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 of the report.

10. **Review of Prioritisation Methodology**

A report was considered on the prioritisation methodology used to form the “pipeline” of schemes for future funding. A review had been undertaken in light of the March 2019 LEP Assurance Framework 4.0 which set out the LEPs wider governance, oversight and scrutiny arrangements.

The current prioritisation methodology had been in place since 2013 and it was good practice to carry out a review even though the system had been recognised to be sound, robust and effective. It was recommended that the structure of the methodology be endorsed, but that some changes be made to the pro-forma used to submit schemes for the long list; to the scoring criteria; and to the arrangements for granting programme entry status to schemes and monitoring their progress. The principle aim of the changes was to strengthen the scoring in relation to deliverability and ensure alignment with WebTAG at an early stage. The independent assessors, Hatch Regeneris had assisted in the review. The Berkshire Strategic Transport Forum had also held an additional meeting in June to give detailed consideration to the methodology.
Members commented that BTLB had invested a significant amount of time when the Body was established to develop the original prioritisation methodology and the overall success of the programme to date had demonstrated that the approach was sound. A Member expressed disappointment that the review had not recommended stronger weighting for sustainable transport. It was responded that long term, sustainable economic growth and contribution to the Strategic Economic Plan were the primary drivers set by Government in the Growth Deals, however, Berkshire had a strong track record in supporting a range of sustainable transport schemes including rail and mass rapid transit schemes. Members recognised the increasingly important role that sustainable transport schemes would play in the future and it was suggested that BLTB could engage with Government to emphasise that this should be a higher priority in future funding streams.

It was agreed that prioritisation methodology as at Appendix 2 and the detailed scoring methodology at Appendix 3 to the report be agreed.

Resolved –

(a) That the six factors with their proposed weightings set out in appendix 2 to the report be confirmed.

(b) That the detailed scoring methodology, including the revised arrangements for assessing Deliverability set out in appendix 3 of the report be adopted.

(c) That the revised Bid Pro-forma set out in appendix 4 to the report be adopted.

(d) That all future scheme promoters applying for programme entry status be invited to submit a Full Business Case Development Programme as set out in paragraphs 27-28 of the report.

11. BSTF & BLTB Assurance Framework

A report was considered on the revised Assurance Framework for BLTB and Berkshire Strategic Transport Forum. The document had been reviewed following the Thames Valley Berkshire’s adoption of it’s Assurance Framework to take account of the updated National Assurance Framework for LEPs.

The process had taken place at the same time as the review of the prioritisation methodology. No significant changes had been required to BLTBs Assurance Framework which was set out fully at Appendix B to the report. The revised Assurance Framework was approved.

Resolved – That the BLTB Assurance Framework (Third Revise) as set out in Appendix 1 to the report be approved.
12. **Heathrow Airport Expansion - proposed consultation 2 response**

A report was considered on the public consultation on Heathrow Airport expansion and a recommended position statement in response was set out at Appendix A to the report. The consultation would close on 13th September 2019.

The LEP was participating in the Heathrow Strategic Planning Group (HSPG) which would be providing a full response to the airport’s proposals. The position statement was intended to set out the general position on Heathrow expansion with more detailed input through HSPG. The position statement highlighted the importance of Western Rail Access to Heathrow and emphasised that it should be a priority to improve connectivity to the existing airport and should not therefore be directly linked to expansion.

The position statement as set out in the appendix to the report was agreed.

**Resolved** – That the response set out in the appendix to the report be endorsed.

13. **TfSE - Proposal to Seek Statutory Status - Formal Response**

A report was considered on the formal consultation on the proposal for Transport for the South East to seek statutory status as a sub-national transport body. The proposed response set out in Appendix 2 to the report confirmed BLTBs support for the body being given statutory status.

Councillor Page, who stated that he was the BLTB representative and had been elected as vice-chair of TfSE, provided an update on the current position and it was noted that the Government had decided not to give statutory status to any sub-national bodies at the present time as it would require legislation for which Parliamentary time was not being made available. However, it was important that TfSE continued to work towards that objective and therefore approval for the BLTB formal response was proposed.

Members considered whether to make any further comments on the draft response and it was proposed and agreed to add a reference in the response to Question 2 about the role for TfSE to influence government policy to promote sustainable transport. With this additional comment noted the response was agreed.

**Resolved** – That the response set out in appendix 2 be endorsed, subject to the addition of a comment about TfSE’s potential role in influencing government policy to promote sustainable transport.

14. **BLTB Forward Plan**

The BLTB Forward Plan which set out the matters to be considered at future meetings was considered and noted.
Resolved – That the BLTB Forward Plan be noted.

15. Date of Next Meeting - 14th November 2019

The date of the next meeting was confirmed as 14th November 2019.

Chair

(Note: The Meeting opened at 4.01 pm and closed at 5.43 pm)
Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) and the Berkshire Local Transport Body (BLTB) – investing in strategic infrastructure

This briefing note is intended to set out the way TVB LEP works with BLTB to invest Local Growth Funds in transport schemes.

1. TVB LEP is a business-led organisation responsible for determining the key funding priorities to which Local Growth Funds (LGF) and other public resources are directed in order to implement a Strategic Economic Plan (SEP) and meet its commitments in the TVB Growth Deals. As a company limited by guarantee (registered at Companies House No. 07885051) it operates according to its Articles of Association, which comply with the Companies Act 2006. As a publicly-funded body it behaves in accordance with an Assurance Framework, which determines the practices and standards necessary to provide assurance to government and local partners that decisions over (all government) funding are proper, transparent and deliver value for money. [LEP Assurance Framework (AF 4.0) March 2019]

2. BLTB consists of six elected members (usually the lead member for transport or related portfolio), and six private sector representatives recruited and appointed by the LEP. [AF 4.0 para 4.2.3]. It is a Joint Committee of the six unitary authorities in Berkshire and its constitution is set out in its Founding Document.

3. TVB LEP recognises BLTB as “the BLTB has been designated as the competent body to prioritise, invest in and oversee transport capital schemes on behalf of the LEP. DfT retains responsibility for the approval process of schemes in excess of £20m LGF. The LEP will accept any BLTB recommendation or refer them back but will not substitute its own recommendations.” [AF 4.0, para 5.9]

4. The process established by government for making Growth Deals is to invite LEPs to submit competitive proposals, and after due consideration to make awards based on all or part of a LEP bid. To date TVB LEP has agreed three Growth Deals. Each of these has included, among other things, the award of capital funds for individual transport schemes that were prioritised in the TVB LEP bid and named in the Growth Deal settlement.

5. TVB LEP works with its partners to identify and prioritise suitable schemes. It is a lobbying organisation, and, via Growth Deals, a joint-funder of selected schemes promoted by (usually, but not always) a local transport authority. [BLTB Founding Document (FD) 11-13]

6. BLTB requires promoters to develop each scheme in accordance with current WebTAG guidance published by DfT. In order to receive financial approval from BLTB, the Full Business Case must be subject to independent assessment and a positive recommendation about value for money. [BLTB FD 14-16]

7. The scheme promoter is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including their responsibilities as highway and planning authorities, any other statutory duties, and any financial or other liabilities arising from the scheme. [BLTB FD 18]

8. The time taken between an initial government call for bids and the final announcement of a new Growth Deal can be in excess of a year. TVB LEP (together with BLTB for transport schemes) must go through a number of steps to respond to a government call for bids. Similarly, a transport scheme promoter also must go through several steps:
• LEP receives a call from government or Growth Deal proposals

• LEP asks BLTB to issue a call for transport capital schemes, which meet the Growth Deal criteria

• BLTB consults on and publishes prioritisation methodology for assessing schemes

• Local Transport authorities and other promoters propose schemes for inclusion

• BLTB applies the prioritisation methodology and recommends a priority order of schemes for inclusion in the overall LEP Growth Deal bid

• LEP submits Growth Deal bid including transport schemes

• Government announces Growth Deal approvals (if any) including named schemes and provisional financial allocation

• BLTB awards schemes named in the new Growth Deal “programme entry” status. This reserves the provisional financial allocation for each named scheme until the scheme promoter comes forward with a Full Business Case (FBC), which demonstrates at least “good value for money”

• The scheme promoter works up the detail of the scheme, including planning permission and any other regulatory approvals, design, costs, environmental and other impact assessments. The scheme FBC is then subject to independent scrutiny and a report is made to BLTB
PART I

Item 4: Thames Valley Berkshire Local Growth Deal 2015/16 to 2020/21

Purpose of Report

1. To report on the progress of the Thames Valley Berkshire Local Growth Deal, as amended by Growth Deal 2 (£10.2 million further support to Thames Valley Berkshire) and Growth Deal 3 (Factsheet GD3) with particular reference to the schemes included in the Transport Packages of the Strategic Economic Plan; and on the progress of schemes funded by the Business Rates Retention Pilot (BRRP) 2018/19.

2. The headline figure for transport scheme grants under the three Local Growth Deals is £135.926m. This includes £24m of “DfT retained” allocation relating to the Wokingham Distributor Roads. This report provides progress reports on all programme entry schemes and the TVB Smart City Cluster (Smart Berkshire) scheme. A further £25m has been released through BRRP1 2018/19 and £11m from BRRP2 2019/20.

3. £14.742m LGF was spent on transport schemes in 2015/16, £16.546m in 2016/17, £15.055m in 2017/18, £8,810,000 in 2018/19 and £8,225,000 in September 2019. In addition, £10.808m was spent from BRRP.

Recommendations

4. That you note the progress made on the schemes previously given programme entry status, as set out in Appendix 1.

Other Implications

Risk Management

5. The delegation of programme management responsibilities to the LEP/BLTB brings risks. The well-established scrutiny given by both BST(O)F and BLTB meetings is designed to mitigate that risk.

6. There will be an element of risk for scheme promoters who invest in developing their schemes to full business case stage in accordance with the approved Assurance Framework. However, there is also risk involved in not developing the schemes; that risk is that any reluctance to bring the schemes forward will result in any final approval being delayed or refused.
7. The risks associated with each scheme are monitored locally. Table 4 has been adapted to show the current risk rating of each of the schemes. Completed schemes are shown in blue.

Financial

8. Thames Valley Berkshire LEP has been granted freedoms and flexibilities in managing the Local Growth Deal Capital Programme. This means that we will receive an annual allocation of capital within which it will be our responsibility to manage the award of LGF to individual schemes. This is a positive development for TVB LEP and recognises the confidence that government has in our governance arrangements.

9. The government has confirmed the allocation of funding for 2019/20 and there is a provisional profile for payments in the financial year 2020/21.

Table 1: Available Finance for Transport Schemes in TVB Local Growth Deal and BRRP

<table>
<thead>
<tr>
<th>£m</th>
<th>2015/16 – 2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTB previously approved</td>
<td>14.5</td>
</tr>
<tr>
<td>Growth Deal 1</td>
<td>56.1</td>
</tr>
<tr>
<td>Less unallocated</td>
<td>- 0.7</td>
</tr>
<tr>
<td></td>
<td>55.4</td>
</tr>
<tr>
<td>Growth Deal 1 “DfT Major Schemes”</td>
<td>24.0</td>
</tr>
<tr>
<td>Growth Deal 2</td>
<td>7.5</td>
</tr>
<tr>
<td>Growth Deal 3</td>
<td>33.8</td>
</tr>
<tr>
<td>Plus unallocated</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>34.5</td>
</tr>
<tr>
<td>Local Growth Deal Total</td>
<td>135.9</td>
</tr>
<tr>
<td>BRRP 2018/19 and 2019/20</td>
<td>36.0</td>
</tr>
<tr>
<td>Grand Total</td>
<td>171.9</td>
</tr>
</tbody>
</table>

10. The profile and status of the available money in each year is as follows:

Table 2: Local Growth Deal and BRRP Financial Allocations by Financial Year

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Growth Deal 1, 2, 3 and LTB Allocation approved</td>
<td>14.7</td>
<td>16.5</td>
<td>15.1</td>
<td>8.8</td>
<td>-</td>
<td>-</td>
<td>55.2</td>
</tr>
<tr>
<td>Growth Deal 1 (DfT Major Schemes) indicative</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.9</td>
<td>22.1</td>
<td>1.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Combined Growth Deal 1, 2 and 3 LTB Allocation indicative profile</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19.8</td>
<td>37.0</td>
<td>56.8</td>
</tr>
<tr>
<td>Local Growth Deal Total</td>
<td>14.7</td>
<td>16.5</td>
<td>15.1</td>
<td>9.7</td>
<td>41.9</td>
<td>38.0</td>
<td>135.9</td>
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<tr>
<td>BRRP</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11.5</td>
<td>24.5</td>
<td>-</td>
<td>36.0</td>
</tr>
<tr>
<td>Grand Total</td>
<td>14.7</td>
<td>16.5</td>
<td>15.1</td>
<td>21.2</td>
<td>66.4</td>
<td>38.0</td>
<td>171.9</td>
</tr>
</tbody>
</table>
11. The breakdown of types of projects with allocated LGF and BRRP monies is shown below:

Table 3: Breakdown of schemes by type by funding allocated

<table>
<thead>
<tr>
<th></th>
<th>LGF</th>
<th>BRRP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MRT / P&amp;R projects</td>
<td>20.6</td>
<td>21.1</td>
<td>41.7</td>
</tr>
<tr>
<td>Railway projects</td>
<td>31.6</td>
<td>-</td>
<td>31.6</td>
</tr>
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<td>Highway improvements</td>
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12. Table 4 has been amended to present all project data previously shown across several tables. It shows the final award of scheme finance for 2015/16, 2016/17, 2017/18 and 2018/19 and the provisional allocation for future financial years, which are subject to alteration following the government’s confirmation of the Local Growth Deal funding profile and final award of schemes finance for 2018/19 and the provisional allocation for 2019/20 for the BRRP. It also shows Red Amber Green (RAG) risk rating and completed projects in blue, the data that LTB approval was granted or sought and any notes including when future evaluations are due.

http://www.thamesvalleyberkshire.co.uk/documents?page=1&folder=192&view=files
http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum
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Item 4 BLTB 14 November 2019 - Thames Valley Berkshire Local Growth Deal 2015/16 to 2020/21
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<td>See 2.23 LGF above</td>
<td>Nov 17</td>
<td>Mar 18</td>
<td>Due Nov 20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7.808</td>
<td>0</td>
<td>0</td>
<td>7.808</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10.148</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.26</td>
<td>Wokingham: Winnersh Relief Road Phase 2</td>
<td>BRRP</td>
<td>G</td>
<td>Phase 1 privately funded</td>
<td>Conditional Nov 18, lifted Feb 19</td>
<td>Jan 19</td>
<td>Due Sep 20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3.000</td>
<td>3.260</td>
<td>0</td>
<td>6.260</td>
</tr>
<tr>
<td>2.32</td>
<td>Maidenhead: Housing Sites Enabling Work Ph. 1</td>
<td>BRRP</td>
<td>A</td>
<td>See LGF above</td>
<td>Conditional Jan 19</td>
<td>Due Jan 20</td>
<td>Due Sep 20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1.068</td>
<td>0</td>
<td>0</td>
<td>1.068</td>
</tr>
<tr>
<td>2.34</td>
<td>Slough MRT Phase 2</td>
<td>BRRP</td>
<td>G</td>
<td></td>
<td>Jan 19</td>
<td>Aug 19</td>
<td>Due Aug 20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>13.300</td>
<td>0</td>
<td>0</td>
<td>13.300</td>
</tr>
<tr>
<td>2.42</td>
<td>South Wokingham Distributor Road – Eastern Gateway</td>
<td>BRRP</td>
<td>A</td>
<td>Programme Entry Stage</td>
<td>Due Nov 19</td>
<td>Due Nov 19</td>
<td>Due Nov 20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5.000</td>
<td>0</td>
<td>0</td>
<td>5.000</td>
</tr>
<tr>
<td>N/a</td>
<td>BLIS development</td>
<td>BRRP</td>
<td>N/a</td>
<td>Approved / underway</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.044</td>
<td>0.046</td>
<td>0</td>
<td>0.090</td>
</tr>
<tr>
<td>N/a</td>
<td>Business Case Preparation</td>
<td>BRRP</td>
<td>N/a</td>
<td>6 proposals approved</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.600</td>
<td>0</td>
<td>0</td>
<td>0.600</td>
</tr>
<tr>
<td>N/a</td>
<td>Forward Plans Team</td>
<td>BRRP</td>
<td>N/a</td>
<td>TBC</td>
<td>TBC</td>
<td>TBC</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.750</td>
<td>0</td>
<td>0</td>
<td>0.750</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>11.452</td>
<td>23.424</td>
<td>0</td>
<td>34.876</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.124</td>
<td>0</td>
<td></td>
<td></td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.30</td>
<td>TVB Smart City Cluster</td>
<td>LGF</td>
<td>A</td>
<td>1st &amp; 2nd round challenge fund launched</td>
<td>Nov 17 by LEP Board</td>
<td>Jan 18</td>
<td>Due Jun 20</td>
<td>0</td>
<td>0</td>
<td>0.083</td>
<td>0.255</td>
<td>1.396</td>
<td>0</td>
<td>1.734</td>
</tr>
</tbody>
</table>
13. In addition to these capital schemes, there is a further Local Growth Deal funded project called 2.30 TVB Smart City Cluster (Smart Berkshire). The project delivers three key deliverables:

a. **Smart city platform**: consisting of an Internet of Things (IoT) communication platform across Reading, Wokingham, West Berkshire and Bracknell and a cross-authority open data platform. This is enabling infrastructure for the delivery of a wide range of IoT technologies including traffic signal communications which will provide the revenue savings to maintain and operate the system.

b. **Challenge funded IoT solutions**: grant funded IoT solutions to real Local Authority challenges which will utilise the platform. These grants will be awarded through competition and will be on the basis of co-funding.

c. **Cross authority / cross sector smart city group**: This includes a Steering Group to oversee the project delivery and act as a catalyst for wider smart city debate, project development and funding.

A pro-forma giving detailed progress is included in Appendix 1.

**Human Rights Act and Other Legal Implications**

14. The **Assurance Framework** referred to above identifies the steps that scheme promoters should take in order to secure financial approval from the LTB. There are, in effect, two layers of scheme approval. The first, and primary layer rests with the scheme promoter (all the schemes referred to in this report are being promoted by Local Authorities). In order to implement the schemes in question, each promoter will need to satisfy themselves that all the legal implications have been considered and appropriately resolved. The secondary layer of approval, given by the LTB, is concerned with the release of funds against the detailed business case. The arrangements for publication of plans via the LEP and promoters’ websites, the arrangements for independent assessment and the consideration of detailed scheme reports are appropriate steps to ensure that any significant Human Rights Act or other legal implications are properly identified and considered.

**Supporting Information**

15. The Thames Valley Berkshire LEP website has published summary information about all its Growth Deal-funded projects, including all transport projects. Please go to Thames Valley Berkshire [Local Growth Fund](#) and [Business Rates Retention Pilot](#) e-Books.

16. There is a detailed progress report on each of the schemes at Appendix 1 to this report.

**Monitoring and Evaluation**

17. The Monitoring and Evaluation Plan for the Thames Valley Berkshire Growth Deal has now been agreed with government. In addition to the need for transport scheme promoters to collect and publish monitoring and evaluation reports that comply with DfT guidance for capital schemes, there will be requirements to cooperate with the overall monitoring and evaluation plan for the Growth Deal.
18. The difference between the two processes is that one concentrates on the transport impacts and the other on the economic impacts. The basic information required from each scheme promoter is set out in the scheme proformas. This requirement is less onerous for schemes under £5m Growth Deal contribution and runs to much more detail for the larger schemes.

19. For most schemes there will be little or no additional Growth Deal monitoring burden beyond that already signalled. Extra effort may be required to comply with the standard set out in the Monitoring and Evaluation plan which is “accurate, timely, verified and quality assured monitoring data”. For schemes mentioned by name in the Monitoring and Evaluation Plan (see list below) there will be a separate discussion about the duties on the scheme promoter:

   2.01 Newbury: King’s Road Link Road  
   2.04 Wokingham: Distributor Roads Programme  
   2.06 Reading: Green Park Railway Station  
   2.08 Slough: Rapid Transit Phase 1

**Background Papers**

Each of the schemes referred to above has a proforma summarising its details. Both the LEP and LTB prioritisation processes and scoring schemes are also available background papers. The Monitoring and Evaluation Plan for TVB Growth Deal is also available.

http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum  
https://spark.adobe.com/page/lUlLl858NStY0/  
https://spark.adobe.com/page/6LOjEtuDgacVm/
PART I

Item 5: Thames Valley Berkshire Local Growth Funds – Call for bids - Process

Purpose of Report

1. Following the successful bidding and allocation of both Local Growth Fund (LGF) monies (2015-2021) and Business Rates Retention Pilot (BRRP) monies (2018-2020) across Thames Valley Berkshire, this report sets out the requirements to create a new call for bids in order to meet anticipated additional funding being made available for Berkshire.

2. At this point, the amount, and source, of funding is to be confirmed, but it may come from reallocation of existing LGF or BRRP scheme monies or new funding sources (e.g. UK Shared Prosperity Fund).

3. As specified in the BLTB Assurance Framework 4.0, the BLTB will issue a call for capital schemes, including eligibility criteria:
   - a minimum threshold value in order to encourage major schemes
   - a minimum level of detail in order to be able to establish the nature, purpose and content of the scheme
   - a minimum matching funding percentage in order to ensure local commitment to the scheme

Schemes which do not meet the eligibility criteria may be refused entry to the programme, or referred back to the promoter for further development.

4. This report sets out the detailed arrangements for assessing and prioritising potential projects based upon the changes to the Prioritisation Methodology approved at your July 2019 meeting, item 101.

1 http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=6330&Ver=4
**Recommendation**

5. You are recommended to approve a new call for bids as set out in Appendices 1 to 3 and per the agreed LGF prioritisation methodology.

**Background**

6. In March 2018, the BLTB approved a new call for bids, in advance of the new BRRP. The process allowed for existing LGF projects to have their funding replaced with BRRP funds, thus freeing up LGF in the process. The call for bids therefore sought bids for the BRRP and replacement LGF schemes. A new pipeline was created for both funding streams and in July 2018, programme entry status was awarded to three schemes. In January 2019, LGF for the 2.14 &/ 2.25 East Reading MRT scheme was withdrawn. At the extraordinary BLTB meeting in January 2019, Programme Entry Status was awarded to six new LGF projects utilising the withdrawn funds and a further scheme in March 2019. These instances have resulted in the top ten of the LGF pipeline created in July 2018 being awarded funding.

7. In November 2018 and January 2019, each of the six Unitary Authorities were awarded £100,000 revenue funding from the BRRP, in order to help develop business cases for future projects. This work is progressing, and it is expected that new business cases should be ready shortly.

8. In addition, Transport Officers have been creating a long list of indicative future schemes, should future funding become available.

**Other Implications**

**Financial**

9. The lead authority for the control of Local Growth Funds allocated to infrastructure or regeneration projects is the Royal Borough of Windsor & Maidenhead, the LEP’s Accountable Body.

**Risk Management**

10. The risks associated with large scale infrastructure investments are well known, and the BLTB has established risk management arrangements for the Local Growth Fund transport capital programme (£113m over six years), referred to as the BLTB Assurance Framework.

11. As part of the Local Growth Fund oversight a new BLTB Assurance Framework (Third Revision) was approved by the BLTB in July 2019, item 11².

12. Compliance with the Assurance Framework and the updated prioritisation methodology is specifically designed to address the risks inherent with planning and managing a major capital programme of investment. The objectives are to identify, prioritise and support individual capital schemes which will:

12.1. Support economic development in general and the LEP’s strategy in particular

12.2. Represent good or better value for money

12.3. Be delivered on time and to budget

12.4. Follow appropriate procurement procedures.

13. Promoters of infrastructure projects seeking funding will need to follow the Assurance Framework and updated prioritisation methodology for any additional funding. This means that the pipeline of schemes will be prioritised having met the eligibility criteria, according to the evaluation process, moving to Programme Entry Status acceptance, followed by submission and independent assessment of a WebTAG compliant Full Business Case before being considered for financial approval.

**Human Rights Act and Other Legal Implications**

14. Slough Borough Council will provide legal support for the BLTB should any questions arise.

**Supporting Information**

15. The following qualifying criteria will be applied to all bids; however, each call for bids will have its own eligibility criteria depending on the source of the capital funds. Colleagues will recall that the recent Business Rates Retention Pilot and Local Growth Deal funds each came with their own conditions. These eligibility criteria usually cover the following factors:

15.1 Revenue or capital expenditure

15.2 Overall scheme financial value – either minimum or maximum or both

15.3 Percentage of matching funds required to be supplied by the scheme promoter

15.4 Opening and closing of a time period during which the funds must be spent

Depending on the source of the funds, other eligibility criteria may be added.

16. Following the July 2019 review, this report recommends the use of that prioritisation methodology. Although there are no identified funds available at
present, this report recommends opening a new call for bids based upon the
timings below in order to be in a position to proceed should they do so.

i. Timing: will depend on funding source and specified criteria:

a. Local Growth Fund – reallocated funding from existing projects,
deemed non deliverable. Timing will require mobilisation in
2019/20 or early 2020/21, and project needs to be well
advanced, if not actually delivered, by March 2021.

b. Local Growth Fund – Government “windfall” – in anticipation of
last-minute government announcement on additional LGF funds
becoming available. Timing as per a.) above.

c. Business Rates Retention Pilot - reallocated funding from
existing projects deemed non deliverable or allocation of
remaining funds. Timings as per a.) above.

d. New – non LGF – funding streams – e.g. UK Shared Prosperity
Fund other. Timing / criteria unknown.

ii. Scale: a minimum scheme size of £5m and/or minimum-size
associated housing development of 500 houses

iii. Focus is on strategic investment in urban areas/around conurbations

<table>
<thead>
<tr>
<th>Timescale for scheme development / approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>All dates 2019 - 2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 November  Berkshire LTB (BLTB)</td>
</tr>
<tr>
<td>Recommends the formal process to call for bids, with scoring methodology based on updated prioritisation methodology agreed by BLTB July 2019</td>
</tr>
<tr>
<td>26 November  LEP Forum</td>
</tr>
<tr>
<td>Approves process as above – Triggers the call for Infrastructure Scheme bids</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 January  LEP Forum</td>
</tr>
<tr>
<td>Update on progress</td>
</tr>
<tr>
<td>31 January  Closing date for bids (start of scoring and moderation)</td>
</tr>
<tr>
<td>LEP leads on scoring and moderation with scheme promoters</td>
</tr>
<tr>
<td>20 February  BSTOF</td>
</tr>
<tr>
<td>Consider draft papers for March BLTB, including the recommended prioritised list</td>
</tr>
<tr>
<td>12 March  BLTB</td>
</tr>
<tr>
<td>Provisional approval of prioritised list of schemes. Should any funding be available at that time, this would also grant programme entry status</td>
</tr>
<tr>
<td>24 March  LEP Forum</td>
</tr>
<tr>
<td>Ratification for consideration by Berkshire Leaders Group</td>
</tr>
</tbody>
</table>
The following stages are dependent on additional, relevant funding being available

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>April-July</td>
<td>Scheme Development</td>
<td>Submission of WebTAG compliant Full Business Case for Independent Assessment</td>
</tr>
<tr>
<td>16 July</td>
<td>BLTB</td>
<td>Final recommendations</td>
</tr>
<tr>
<td>28 July</td>
<td>LEP Forum</td>
<td>Committed spend</td>
</tr>
<tr>
<td>Q3/Q4</td>
<td>Scheme mobilisation</td>
<td>Subject to procurement, statutory permissions.</td>
</tr>
</tbody>
</table>

**Conclusion**

17. There is an opportunity to identify and allocate additional forward funding in major Thames Valley Berkshire infrastructure or regeneration schemes. This is a welcome future-proofing exercise.
APPENDIX 1 – PRIORITISATION METHODOLOGY

1. The following methodology is substantially the same as that used in Growth Deal 1, 2, 3 (2016), 3 (2018), BRRP1 and BRRP2 bidding rounds.

2. First bids are checked for compliance with the overall eligibility criteria for the funding round. Schemes with missing, incomplete, inadequate or late pro-forma information may not be considered. All schemes declared eligible are then scored and allocated a priority ranking on the long list, or pipeline, of schemes. All qualifying schemes are scored and placed in order in the pipeline.

3. As and when funds become available, schemes are proposed for programme entry status following the “cab-rank” principle. Before being granted programme entry status, each scheme is assessed against its place in the prioritised list, available funds and its readiness to proceed to financial approval.

4. On each factor, a scheme will be awarded high (3 marks), medium (2 marks) or low (1 mark), see appendix 3 for the details of how marks are allocated. On each factor, each scheme is bound to score at least one mark, and will be given the highest mark that is supported by the information in the pro-forma. So, if a scheme submission matches both the examples for a medium and a high judgement, it will be judged high.

5. These raw scores are then weighted to reflect the relative importance of the six factors as follows:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure Projects will contribute to the delivery of the Thames Valley Berkshire SEP*</td>
<td>15%</td>
</tr>
<tr>
<td>Deliverability</td>
<td>20%</td>
</tr>
<tr>
<td>Long-term, sustainable economic growth</td>
<td>40%</td>
</tr>
<tr>
<td>Tangible benefit to the sub-region</td>
<td>15%</td>
</tr>
<tr>
<td>Investing in natural capital</td>
<td>5%</td>
</tr>
<tr>
<td>Maximising social value</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

*The Strategic Economic Plan (SEP) will be augmented with the Local Industrial Strategy (LIS) in due course
6. The calculation will be performed according to the following table:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Raw Scores</th>
<th>Weighting</th>
<th>Weighted scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribute to the implementation of the Thames Valley Berkshire SEP</td>
<td>3 2 1</td>
<td>x 1.5</td>
<td>4.5 3.0 1.5</td>
</tr>
<tr>
<td>Deliverability</td>
<td>3 2 1</td>
<td>x 2.0</td>
<td>6.0 4.0 2.0</td>
</tr>
<tr>
<td>Long-term, sustainable economic growth</td>
<td>3 2 1</td>
<td>x 4.0</td>
<td>12.0 8.0 4.0</td>
</tr>
<tr>
<td>Tangible benefit to the sub-region</td>
<td>3 2 1</td>
<td>x 1.5</td>
<td>4.5 3.0 1.5</td>
</tr>
<tr>
<td>Investing in natural capital</td>
<td>3 2 1</td>
<td>x 0.5</td>
<td>1.5 1.0 0.5</td>
</tr>
<tr>
<td>Maximising social value</td>
<td>3 2 1</td>
<td>x 0.5</td>
<td>1.5 1.0 0.5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>Max = 30.0 Min= 10.0</td>
</tr>
</tbody>
</table>

7. The range of possible scores will be 30 (all high scores) - 10 (all low scores). A ranking putting all the submitted schemes in order will be produced.

8. The schemes are first scored by staff from the LEP, and then moderated with the scheme promoter. Once all the scores are moderated and agreed, the draft prioritised list is published for further checking before being recommended to BLTB for approval.

9. As agreed at the July 2019 BLTB meeting, and following on from the concerns about deliverability, the independent assessor suggested adding an extra stage of assurance and checking at the point where a scheme is converting from next in line in the priority list to programme entry status.

Schemes seeking programme entry status from BLTB will therefore need to meet three conditions:

a) To have the highest priority in the long-list of pipeline schemes
b) There being sufficient available uncommitted funds in the relevant funding programme
c) To have submitted a Full Business Case development programme to the satisfaction of the LEP’s Independent Assessor

The Full Business Case development programme will include, amongst other things:
a) a timetable for producing an Appraisal Specification and Option Assessment Reports as well as the five cases of the Full Business Case
b) a statement of what modelling tools are available
c) a commitment to delivering sufficient design work and operational planning prior to FBC submission
APPENDIX 2 - THE SCORING METHODOLOGY FOR THE SIX FACTORS

1. Infrastructure Projects will contribute to the implementation of the Thames Valley Berkshire SEP or emerging Local Industrial Strategy

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>High 3 marks</td>
<td>• The Housing SDL cannot proceed without this Distributor Road; investment in this scheme will unlock £££’s of private investment • This scheme is identified as part of Core Policy XX Town Centre Regeneration in the Council’s adopted Core Strategies Document • The development of MRT on this corridor is key to increasing the capacity of the network to deliver the journeys that will support the growing economy</td>
<td>A high score will be awarded to proposals for direct investment which: Support one or more of the objectives(^1) in the SEP, in particular (see page 30): 3 Labour Supply: Address congestion; Bring forward planned housing 6 Functioning Towns: Infrastructure within towns; Infrastructure between towns; Town centre investment AND/OR Are directly linked to the following connectivity issues named in the SEP Implementation Plan(^2) section on Infrastructure (page 9): Packages 1, 2 and 3: further phases or extensions of projects funded in Growth Deal 1, 2 and 3 Package 5: MRT schemes Package 6: Access to London Heathrow; Access to London via motorway and rail; Electrification beyond Newbury; Rail links to London Gatwick; Third Thames Crossing near Reading AND/OR Promote local sustainable transport networks (see Strategy p 17)</td>
</tr>
<tr>
<td>Medium 2 marks</td>
<td>• This infrastructure will help unlock a housing scheme of [less than 100] units • This scheme will support the regeneration of the industrial estate, and contribute to the retention of x,000 jobs in the borough</td>
<td>A medium score will be awarded to proposals for other investments which support: • Education Estate • Employment Sites • Utilities • Local housing sites</td>
</tr>
<tr>
<td>Low 1 mark</td>
<td></td>
<td>A low score will be awarded to all other proposals</td>
</tr>
</tbody>
</table>

\(^1\) The objectives of the SEP are (see page 30 of http://www.thamesvalleyberkshire.co.uk/getfile/Public%20Documents/Strategic%20Economic%20Plan/TVB%20SEP%20-%20Strategy.pdf?inline-view=true)

PEOPLE
1. Use better those who are already in the workforce
2. Inspire the next generation and build aspirations and ambition
3. Ensure that economic potential is not restricted by labour supply issues

IDEAS
4. Ensure that knowledge is effectively commercialised and grown within Thames Valley Berkshire
5. Strengthen networks and invest in the ‘soft wiring’ to use ideas better
6. Make Thames Valley Berkshire’s towns genuine hubs in the ideas economy

## 2. Deliverability

<table>
<thead>
<tr>
<th>Deliverability</th>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>High 3 marks</td>
<td>Outline Planning permission and/or positive planning history</td>
<td>A high score will be awarded to capital proposals which have a strong prospect of a start on site in the relevant period for this call for bids. This will be awarded if there is a positive assessment of all of:</td>
</tr>
<tr>
<td></td>
<td>Partnership finance clearly identified</td>
<td>a) Land assembly, ownership or control</td>
</tr>
<tr>
<td></td>
<td>Preliminary Benefit cost ratio (BCR) calculated as positive</td>
<td>b) Planning permission</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c) Optimism bias in preliminary value for money calculations</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>AND</strong> (where relevant) a positive assessment of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>d) Partnership arrangements across boundaries or agencies</td>
</tr>
<tr>
<td>Medium 2 marks</td>
<td>Features in published Local Plan</td>
<td>A medium score will be awarded to proposals which have a reasonable prospect of a start on site the relevant period for this call for bids. This will be awarded if there is a positive assessment of two of:</td>
</tr>
<tr>
<td></td>
<td>Finance subject to further discussion</td>
<td>a) Land assembly, ownership or control</td>
</tr>
<tr>
<td></td>
<td>No preliminary BCR calculation, but comparable schemes have recently been positively assessed</td>
<td>b) Planning permission</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c) Optimism bias in preliminary value for money calculations</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>AND</strong> (where relevant) a positive assessment of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>d) Partnership arrangements across boundaries or agencies where relevant</td>
</tr>
<tr>
<td>Low 1 mark</td>
<td></td>
<td>A low score will be awarded to all other proposals</td>
</tr>
</tbody>
</table>
3. Long term sustainable economic growth

<table>
<thead>
<tr>
<th>Long-term, sustainable economic growth</th>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>High 3 marks</td>
<td>- This scheme will also support development which will add 39,322 sq m of retail space and bring 400 jobs to the area</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The scheme will facilitate development of 25,000m² of retail space 60,000m² of office space and 800 new dwellings.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- 85,800sqm of employment development.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- SDL incorporates up to 15,000sqm of employment.</td>
<td>A high score will be awarded to a proposal which can quantify (in terms of commercial or retail floor space, jobs or houses) a major regeneration, large new development or other substantial impact on the economy which is directly linked to the transport scheme</td>
</tr>
<tr>
<td>Medium 2 marks</td>
<td>- Enabling commercial and residential development</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Enabling redevelopment for housing of frontage properties currently blighted.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Enhancing the attractiveness of town centre and associated major redevelopment sites</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Supporting Town Centre Regeneration</td>
<td>A medium score will be awarded to a proposal which can quantify (in terms of commercial or retail floor space, jobs or houses) EITHER a minor regeneration, small new development or other minor impact on the economy which is directly linked to the scheme; OR a major regeneration, large new development or other substantial impact on the economy which is indirectly linked to the scheme</td>
</tr>
<tr>
<td>Low 1 mark</td>
<td>- GVA to be investigated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Improving journey times and reliability</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Customers and suppliers will also benefit from better access, improved journey times, and lower vehicle operating costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Reducing congestion on a key highway corridor</td>
<td>A low score will be awarded to all other proposals.</td>
</tr>
</tbody>
</table>
4. Tangible benefit to the sub-region

<table>
<thead>
<tr>
<th>Tangible benefit to the sub-region</th>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
</table>
| **High** 3 marks                  | • The scheme will support x,000 jobs, which will provide employment for people from across the TVB area  
• The planned catchment for the new retail units is a 25-mile radius  
• The proposed route runs through three boroughs | A high score will be awarded to proposals which have significant impact well beyond a local area |
| **Medium** 2 marks                | • X,000 sq m of refurbished employment space will allow the borough to be more competitive in retaining jobs | A medium score will be awarded to proposals which have a major impact, but only in a local area |
| **Low** 1 mark                    | • The primary school will support the development of 100 houses in the neighbourhood | A low score will be awarded to all other proposals |
5. Investing in Natural Capital

<table>
<thead>
<tr>
<th>Score</th>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
</table>
| **High – 3 marks** | • No adverse noise, biodiversity, heritage or water environment impacts and enhancement of landscape features  
• The proposal includes the decontamination of xx hectares of former industrial land  
• The proposal includes on site generation of electricity from renewable sources | A high score will be awarded to proposals which  
**EITHER**  
- can quantify a positive impact  
**OR**  
- can demonstrate that mitigating measures will significantly reduce any negative impacts on one or more of the following:  
  • greenhouse gas emissions;  
  • air quality;  
  • noise disturbance;  
  • natural environment, heritage and landscape; and  
  • streetscape and urban environment. |
| **Medium – 2 marks** | • minor benefits in terms of air quality / carbon emissions compared to the ‘do nothing’ situation  
• Reducing slow moving/queuing traffic would contribute to reduction in NO2 emissions in AQMA | A medium score will be awarded to proposals which  
**EITHER**  
- make un-quantified positive claims about impact on the above environmental factors  
**OR**  
- can demonstrate that mitigating measures will reduce negative impacts |
| **Low – 1 mark** | • Carbon emissions will be reduced through a more direct route for freight vehicles  
• Decrease in the number of people affected by noise and improvements in local air quality  
• Positive impact on carbon emissions.  
• Promoting public transport over private car use | A low score will be awarded to all other proposals |
### 6. Maximise Social Value

<table>
<thead>
<tr>
<th>Examples of Descriptors</th>
<th>Scoring Guide</th>
</tr>
</thead>
</table>
| • This stretch of road, including the junction, is responsible for an annual 40 slight injury accidents (approx 5% of the Borough’s overall figure) and a further 8 KSI accidents in the last three years. The scheme is designed to reduce both these figures by half in three years following completion.  
• This scheme will create xx apprenticeships in association with the local college.                                                                                                                                   | A high score will be awarded to proposals which can  
**EITHER**  
quantify a positive impact on,  
**OR**  
can demonstrate that mitigating measures will significantly reduce any negative impacts in relation to one or more of the following:  
• personal affordability;  
• physical activity;  
• road accidents;  
• crime and security;  
• access to a range of goods and services; and  
• community severance  
**OR**  
can open up apprenticeships or new jobs associated with the proposal to local unemployed and long-term unemployed people.                                                                                       |
| |                                                                                                              |
| • Positive impact for the communities affected by rat-running  
• Facilitates residential development including new primary school and extra care home facility  
• Reduced risk of accidents as result of better management of traffic and better provision for road crossings.  
• It is likely that the scheme would lead to impacts that would require full SDI appraisal.                                                                                                                   | A medium score will be awarded to proposals which  
**EITHER**  
make un-quantified positive claims about impact in relation to the above social/distributional issues  
**OR**  
can demonstrate that mitigating measures that will reduce but do not eliminate negative social/distributional impacts.                                                                                         |
| |                                                                                                              |
| • Allowing opportunities to develop local walking and cycling improvements  
• Improved journey times to and from London  
• There are no significant impacts.  
• It is unlikely that the scheme would lead to any impacts that would require full SDI appraisal. The expected impacts are likely to be both marginal in extent and dispersed among people groups or spatially.                                                 | A low score will be awarded to all other proposals.                                                                                                                                                           |
APPENDIX 3 - PRO-FORMA BID

{Town – Scheme Name}

Summary and overview

Scheme name:

{Town – Scheme Name}

Scheme promoter:

{…} Council / other

Contact details: (name, email, telephone numbers)

{…}

Brief description of the scheme and the main activities within it:

{please use 25 words or fewer: this summary will be used in schedules and other covering reports. Words over the limit will be deleted}

Location of the scheme:

Local Authority: {…} Council

Parliamentary Constituency: {this is important for briefing the MP – and embarrassing if not accurate}

Postcode: {as accurate as you can please, for plotting on a map}

Rationale for the scheme and strategic fit

{not used}

How will the scheme contribute to the delivery of Thames Valley Berkshire’s Strategic Economic Plan (SEP)?

{Please reference the SEP, which is available at http://www.thamesvalley berkshire.co.uk/documents?folder=192&view=files}

{Information supplied here will be scored against 1. Infrastructure Projects will contribute to the delivery of the Thames Valley Berkshire SEP}

What is the rationale for the scheme?

{Please describe the overall case for developing this scheme}

What barriers to growth will it address? What is the evidence?

{Please quantify where possible}
What other options have been considered?

{Please describe any other solutions considered but not pursued}

What would be the consequences of a “do nothing” option?

{Please describe}

Which partner organisations are involved in, and committed to, the scheme?

{Please list your partners and distinguish between essential partners (eg Network Rail); funders; supporters; etc}

Value for money

What outputs will the scheme deliver?

{Information supplied here will be part of the information used to score against 2. Deliverability – a WebTAG compliant Full Business Case requires an Economic Case}
<table>
<thead>
<tr>
<th>Outputs</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
<th>Later</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houses (units)</td>
<td>LGF/Growth Deal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other public sector (specify which)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>Private sector</td>
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<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Jobs</td>
<td>LGF/Growth Deal</td>
<td></td>
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<td></td>
<td>Other public sector (specify which)</td>
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<td></td>
<td>Private sector</td>
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<td></td>
<td>Total</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Employment floorspace (sq m)</td>
<td>LGF/Growth Deal</td>
<td></td>
<td></td>
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<td></td>
<td>Other public sector (specify which)</td>
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<td>Private sector</td>
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<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Businesses created</td>
<td>LGF/Growth Deal</td>
<td></td>
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<tr>
<td></td>
<td>Other public sector (specify which)</td>
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<td>Private sector</td>
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<td>Total</td>
<td></td>
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</tr>
<tr>
<td>Business assists</td>
<td>LGF/Growth Deal</td>
<td></td>
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<td></td>
<td>Other public sector (specify which)</td>
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<tr>
<td></td>
<td>Private sector</td>
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<td>Total</td>
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</tr>
<tr>
<td>Other (specify)</td>
<td>LGF/Growth Deal</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td></td>
<td>Other public sector (specify which)</td>
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<tr>
<td></td>
<td>Private sector</td>
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<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
How have these outputs been estimated?

{Please describe the evidence or source of your calculations}

{Information supplied here will be part of the information used to score against 2. Deliverability – a WebTAG compliant Full Business Case requires an Economic Case}

What wider outcomes will be achieved in TVB? Please quantify these if possible.

{Please say what other benefits, if any the scheme will deliver, and how far afield those benefits will be felt}

{Information supplied here will be part of the information used to score against 4. Tangible benefit to the sub-region}

To what extent are these outputs (and downstream outcomes/impacts) likely to be additional? What is the basis for this assessment?

{additional to background economic growth that is likely to occur without this project}

What is the nature of the resourcing package that is proposed (e.g. balance between private sector investment, loans and grants, etc.)?

{Information supplied here will be part of the information used to make sure that the bid meets the terms of the call for bids – eg minimum and maximum scheme value; matching funds contribution}

What is the funding package through which the scheme will be delivered?

<table>
<thead>
<tr>
<th>Source</th>
<th>Year</th>
<th>2019/20</th>
<th>2020/21</th>
<th>Later years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business rates retention pilot</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth Deal or other Government Grant</td>
<td>Capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other public sector</td>
<td>Please specify</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIL/s.106</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private sector</td>
<td>Please specify</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Deliverability and risks

How secure are the funding contributions from your own organisation and elsewhere?

{Information supplied here will be part of the information used to score against 2. Deliverability – cross boundary or cross agency partnership arrangements should be underpinned with some evidence of their commitment}

What are the key scheme milestones?

{Please include planning permission; preparation of full business case; procurement; start on site; completion of construction; other key project milestones, including if these have already been achieved}

{Information supplied here will be part of the information used to score against 2. Deliverability – Land assembly, ownership or control and planning permission}

What are the proposed arrangements for project management?

{please say}

{Information supplied here will be part of the information used to score against 2. Deliverability – cross boundary or cross agency partnership arrangements should be underpinned with some evidence of their commitment}

What are the principal risks linked to the scheme’s delivery, and what actions will be (or have been) taken to mitigate and manage these?

<table>
<thead>
<tr>
<th>Risk</th>
<th>Likelihood (H / M / L)</th>
<th>Severity (H / M / L)</th>
<th>Mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

{Information supplied here will be part of the information used to score against 2. Deliverability}
What assessment has been made of the value for money of this scheme?

{if any}

{Information supplied here will be part of the information used to score against 2. Deliverability – optimism bias in preliminary value for money calculations}

How will this scheme contribute to the natural capital of Thames Valley Berkshire?

{please say}

{Information supplied here will be scored against 5. Investing in Natural Capital: one or more of greenhouse gas emissions; air quality; noise disturbance; natural environment, heritage and landscape; and streetscape and urban environment}

How will this scheme maximise social value for Thames Valley Berkshire? In responding to this question, please say how this scheme will support apprenticeships.

{Information supplied here will be scored against 6. Maximise social value: one or more of personal affordability; physical activity; road accidents; crime and security; access to a range of goods and services; and community severance OR can open up apprenticeships or new jobs associated with the proposal to local unemployed and long-term unemployed people}


List of supporting information and evidence
BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB DATE: 14 November 2019

CONTACT OFFICER: Josie Wragg, Chief Executive, Slough Borough Council, Lead Officer to the BLTB

Item 6: Financial Approval 2.35 Reading: Reading West Railway Station Upgrade

Purpose of Report

1. To consider giving financial approval to scheme 2.35 Reading: Reading West Railway Station Upgrade.

2. The Reading West Station scheme will deliver an improved passenger experience and multi-modal interchange, including a new station building, highway changes and improvements to platform facilities and the Tilehurst Road entrance.

Recommendation

3. You are recommended to give scheme 2.35 Reading: Reading West Station Upgrade full financial approval in the sum of £3,100,000 over the period 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below. We note observations made by the Independent Assessor regarding delivery and timing risks but believe that the existing conditions of our capital grant letter will enable us to work closely with Reading Borough Council and relevant partners to ensure timely delivery of the scheme.

Other Implications

Financial

4. A re-prioritisation exercise was undertaken in advance of previously allocated Growth Deal Funds and returned to the Growth Deal “pot” for re-allocation. Scheme 2.35 Reading: Reading West Railway Upgrade is funded from this reallocation.

5. This report recommends that Reading Borough Council be authorised to draw down the capital sum £3,100,000 from the Local Transport Body funding for this scheme, subject to usual capital grant letter conditions.

6. The funding agreement set out at paragraph 11 step 5 sets out the roles and responsibilities, reporting and auditing arrangements, timing and triggers for payments, contributions from other funders, consequences of delay, consequences of failure, claw back, and evaluation requirements at one and five years on.

Risk Management

7. The risk management arrangements already put in place by the Local Transport Body are as follows:
• The Assurance Framework\(^1\) has been drafted following DfT guidance and has been approved by the DfT for use in allocating capital funds for transport schemes
• Hatch Regeneris have been appointed as Independent Assessors and have provided a full written report (see Appendix 1) on the full business case for the scheme
• The funding agreement set out at paragraph 11, step 5 makes clear that the financial risk associated with implementation of the scheme rests with the scheme promoter.

*Human Rights Act and Other Legal Implications*

8. The scheme promoter is a local authority and they must act within the law. Slough Borough Council will provide legal support for the BLTB, should any questions arise.

*Supporting Information*

9. The scheme will be carried out by Reading Borough Council and Great Western Railway.

10. The full details of the scheme are available from the Reading Borough Council website\(^2\). A summary of the key points is given below:

<table>
<thead>
<tr>
<th>Task</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>May 2020</td>
</tr>
<tr>
<td>Construction start</td>
<td>July 2020</td>
</tr>
<tr>
<td>Construction finish</td>
<td>September 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funder</th>
<th>Cost (approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Growth Fund</td>
<td>Berkshire Local Transport Body</td>
<td>£3.10m</td>
</tr>
<tr>
<td>Rail Industry</td>
<td>Network Rail, GWR, DfT</td>
<td>£940k</td>
</tr>
<tr>
<td>Private sector funding</td>
<td>s.106</td>
<td>£200k</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>£4.24m</td>
</tr>
</tbody>
</table>

11. The table below sets out the details of this scheme’s compliance with steps 1-5 of paragraph 14 of Assurance Framework\(^3\).

---

\(^1\) [http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum](http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum)
\(^2\) [http://info.westberks.gov.uk/sep](http://info.westberks.gov.uk/sep)
\(^3\) [http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum](http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum)
### Assurance Framework Check list

#### 2.35 Reading: Reading West Railway Station Upgrade

This scheme has been developed by Reading Borough Council working with Great Western Railway and Network Rail. The Reading West Station scheme will deliver an improved passenger experience and multi-modal interchange, including a new station building, highway changes and improvements to platform facilities and the Tilehurst Road entrance.

The scheme was submitted and given 24 points and ranked 4th out of 18 schemes originally submitted.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Raw score</th>
<th>Weighting</th>
<th>Weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>3</td>
<td>1.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Deliverability</td>
<td>3</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Economic Impact</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>TVB area coverage</td>
<td>2</td>
<td>1.5</td>
<td>3</td>
</tr>
<tr>
<td>Environment</td>
<td>2</td>
<td>0.5</td>
<td>1</td>
</tr>
<tr>
<td>Social</td>
<td>3</td>
<td>0.5</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
<td></td>
<td><strong>24</strong></td>
</tr>
</tbody>
</table>

#### Step 1:
Development of Scheme proposal; initial sifting, scoring and prioritisation leading to award of Programme Entry Status. (See paragraphs 11-13)

Programme Entry status was given by the BLTB on 31 January 2019[^4] (item 34 refers).

The [Reading Borough Council website][5] holds the latest details of the full business case, including the VfM statement certified by the senior responsible officer.

Any comments or observations on the scheme received by either TVB LEP or West Berkshire Council have been fully considered during the development of the scheme.

The report of the Independent Assessor is attached at Appendix 1. The Independent Assessor was asked to report as follows:

- Completeness – has the promoter prepared a complete Full Business Case submission, when judged against the prevailing advice from the DfT
- Accuracy – has the promoter performed the relevant calculations and assessments accurately and without error
- Relevance – has the Full Business Case considered all relevant matters, including use of appropriate forecasting models and planning assumptions, and has it included any irrelevant considerations such unduly-optimistic assumptions or out of date modelling data
- Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance
- Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme.
- Remedies – where the independent assessment reveals a gap between the FBC supplied and the standard anticipated by the DfT guidance, then the advice for the LTB should include

[^5]: http://info.westberks.gov.uk/sep
<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.35 Reading: Reading West Railway Station Upgrade</th>
</tr>
</thead>
<tbody>
<tr>
<td>recommendations for remedial actions required – e.g., collection of further data, sensitivity tests on particular assumptions etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Step 3: Conditional Approval</strong></td>
<td>It is recommended to give scheme 2.35 Reading: Reading West Station Upgrade full financial approval in the sum of £3,100,000 over the period 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below. Observations made by the Independent Assessor regarding delivery and timing risks are noted but we believe that the existing conditions of the LEP capital grant letter will enable us to work closely with Reading Borough Council and relevant partners to ensure timely delivery of the scheme.</td>
</tr>
<tr>
<td><strong>Step 4: Recommendation of Financial Approval</strong></td>
<td>The Independent Assessor states that the Strategic Case for the scheme demonstrates alignment with strategic priorities and provides strong evidence of the current poor conditions at Reading West Station and the requirement for enhancement to promote sustainable travel. The approach to assessing the economic benefits of the scheme is considered to be robust, but it is recognised that there is significant reliance upon the forecast level of revenue generated from new passengers to off-set the capital and operating costs of the scheme. If rail patronage levels were not to meet expectations, then the scheme may only achieve ‘medium’ value for money; however, this is considered to be relatively unlikely outcome.</td>
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| **Step 5: Formal Agreement** | The capital grant of £3,100,000 is a maximum figure which cannot be increased, but may be reduced if savings are achieved during implementation. In the event that Reading Borough Council wishes to alter the profile of the grant payments, it must seek prior written permission from TVB LEP, having first raised the matter with the BLTB. The grant is made subject to the following:  

1. **Roles**: TVB LEP is a part funder of the scheme. Reading Borough Council is the scheme promoter and is the relevant highway and planning authority.  

2. **Responsibilities**: TVB LEP is responsible for allocating the capital finance in accordance with its Assurance Framework. Reading Borough Council is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, any other statutory duties, and any financial or other liabilities arising from the scheme.  

3. **Implementation**: In addition to any reporting requirements within Reading Borough Council, the scheme promoter will use the proforma supplied by TVB LEP to make reports on progress of the implementation of the capital scheme to each meeting of the BLTB until the build is complete. In particular, Reading Borough Council will report on any change in the size, scope or specification of the scheme; and on any substantial savings against the scheme budget whether achieved by such changes to the size, scope or specification of the scheme, or through procurement, or through the efficient implementation of the scheme. |
<table>
<thead>
<tr>
<th><strong>Assurance Framework Check list</strong></th>
<th><strong>2.35 Reading: Reading West Railway Station Upgrade</strong></th>
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<tr>
<td>4. <strong>Reporting:</strong> The scheme promoter must provide accurate, timely, verified and quality assured quarterly monitoring and forecast data, which relate to defined output and outcome indicators agreed between TVB LEP and government as a condition of the Growth Deal. This scheme will not be required to participate in an evaluation as set out in the Growth Deal Monitoring and Evaluation Plan.</td>
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<td>5. <strong>Auditing:</strong> Reading Borough Council will keep financial records such that the expenditure on the scheme is readily identifiable, and if and when BEIS, DfT or other government department or the Accountable Body for TVB LEP requests access to financial or other records for the purposes of an audit of the accounts, Reading Borough Council will co-operate fully.</td>
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<td>6. <strong>Timing and Triggers for payments:</strong> See the Claim Proforma at Appendix 1 of the Capital Grant Letter – available on request.</td>
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<td>7. <strong>Contributions from Other Funders:</strong> Section 106 monies will contribute £200,000 in 2019/20. Additionally, the Rail Industry will contribute £940,000 in 2018/19. In the event that the scheme experiences or it is anticipated that the scheme will experience a shortfall in these contributions, Reading Borough Council will be required to notify TVB LEP of these developments. The provisions of clauses 8, Consequences of Delay; 9, Consequences of Change to the Design or Specification of the Scheme; or 10, Consequences of Failure will then be applied.</td>
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<tr>
<td>8. <strong>Consequences of Delay:</strong> In the event that the scheme experiences minor delays to its overall Business Case programme (no more than 10 weeks), Reading Borough Council will report these delays and the reasons for them, and the proposed remedial action to the next available meeting of the BLTB. In the event that the scheme experiences major delays to its overall Business Case programme (11 weeks or longer) Reading Borough Council will be required to seek permission from TVB LEP to reschedule any payments that are due, or may be delayed in falling due because of the delay to the overall Business Case programme.</td>
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<td>9. <strong>Consequences of Change to the Design or Specification of the Scheme:</strong> In the event that Reading Borough Council wishes to change the design or specification of the scheme such the scheme delivered will vary in any material aspect from the description given in the overall business case, Reading Borough Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Reading Borough Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Reading Borough Council in respect of this scheme.</td>
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<td>10. <strong>Consequences of Failure:</strong> As soon as it becomes apparent to Reading Borough Council that it will not be possible to deliver the</td>
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### Conclusion

12. This scheme will deliver an improved passenger experience and multi-modal interchange, including a new station building, highway changes and improvements to platform facilities and the Tilehurst Road. As stated by the Independent Assessor, the Strategic Case demonstrates alignment with strategic priorities and the provides strong evidence of the current poor conditions at Reading West Station and the requirement for enhancement to promote sustainable travel.

### Background Papers

13. The LTB and SEP scoring exercise papers are available on request.

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6[^6]

7[^7]

[^6]: http://www.thamesvalleyberkshire.co.uk/getfile/Public%20Documents/Strategic%20Economic%20Plan/Logos%20for%20branding/GROWTH%20DEAL%20IDENTITY%20GUIDELINES%20260618.pdf?inline-view=true

Thames Valley Berkshire Local Enterprise Partnership

Independent Assessment Summary Report: Reading West Railway Station Upgrade
Scheme Ref: 2.35

November 2019

www.hatchregeneris.co.uk
# Contents Page

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Executive Summary

i. This technical note provides an independent assessment of the Reading West Railway Station Upgrade (RWRSU) scheme Business Case submission to the Thames Valley Berkshire Local Enterprise Partnership.

Scheme Summary

ii. The business case submission sets out the case for investment in the RWRSU scheme, incorporating the following core elements:

- New building and interchange facilities;
- Improvements to platform waiting facilities;
- Improvements at the Tilehurst Road entrance;
- Better safety and security across the station; and
- Highway improvements on the A329 Oxford Road outside the station, including realignment of Oxford Road and relocation of a bus shelter to create space for the new station building footprint and cycle parking.

iii. The scope of the station upgrade does not include the installation of lifts, which the scheme optineering process concluded is not currently affordable. However, the final scheme design will include ‘passive provision’ to enable future installation of lifts if funding materialises.

iv. The overall scheme cost is estimated to be £4.24 million, with £3.1 million sought from the Local Growth Fund (LGF).

v. The new station facilities are currently programmed to be completed and opened by 28th September 2021.

Review Findings

Conclusions

vi. The Strategic Case demonstrates alignment with strategic priorities and the provides strong evidence of the current poor conditions at Reading West Station and the requirement for enhancement to promote sustainable travel.

vii. The approach to assessing the economic benefits of the scheme is considered to be robust, but it is recognised that there is significant reliance upon the forecast level of revenue generated from new passengers to off-set the capital and operating costs of the scheme. If rail patronage levels were not to meet expectations, then the scheme may only achieve ‘medium’ value for money; however, this is considered to be relatively unlikely outcome.

viii. The Financial Case is considered to be broadly sound, with a reasonable level of contingency and risk. However, the final scheme costs for the internal station works may not be known until May 2020, and there remains a risk that the overall scheme costs could exceed the total allocated budget. It is not clear how any potential need for additional funding would be covered, or if this would affect the overall scale of the project that would be delivered.
ix. The Commercial Case is considered to be relatively succinct but there is sufficient evidence to conclude that the RBC-led and GWR-led elements of the scheme are to be procured in an effective manner.

x. The Management Case provides reasonable assurance that overall processes are in place to effectively oversee the delivery of the scheme. There are, however, some notable risks remaining in relation to the final scheme design and planning-related matters that could affect either the delivery programme and/or the overall cost of the scheme.

xi. It is our conclusion that there appears to be a strong overarching case for investment in the scheme but that notable uncertainties remain in relation to the final detailed design and planning requirements. These issues are of particular pertinence as they may not be resolved until May 2020.

Recommendations

xii. To approve this scheme, we would recommend that a clear process is established by which to monitor and update these risks on a monthly basis, and that TVB LEP should retain the right to withhold funding unless completely satisfied that the full scheme will be completed, in its entirety (as specified within the FBC), by September 2021.
1. Introduction

1.1 This report provides an independent assessment of the Full Business Case (FBC) submitted by Reading Borough Council (RBC) for the delivery of the Reading West Railway Station Upgrade (RWRSU) scheme.

1.2 The report considers the evidence presented and whether it represents a robust case for the investment of Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) growth deal funds.

1.3 The independent assessment has applied criteria from TVB LEP assurance framework and the requirements for transport scheme business cases set out within the Department for Transports (DfT) WebTAG.

Submitted Information

1.4 The independent assessment process for the RWRSU submission has been conducted on the following set of documentation submitted by RBC and their consultant team (PBA):

- Reading West Masterplan (November 2015)
- Full Business Case Report (October 2019)

1.5 In addition to these formal documents, Hatch Regeneris have engaged with RBC and their consultants between April 2019 and October 2019 to discuss the requirements of the final business case submission and comment upon the acceptability of the proposed appraisal approach and input assumptions and parameters.

1.6 No specific Option Appraisal Report was submitted as part of the business case process; however, the Reading West Masterplan document provides evidence of the optioneering process that has been undertaken for the station and supports the narrative provided within the full FBC.

Report Structure

1.7 This Independent Assessors Report responds to the formal submission of documentation, as well as the informal engagement process with RBC and their consultants, to provide a review of information provided, assess it suitability and robustness against TVB LEPs assurance requirements, and provide recommendations in relation to the approval of LEP funding for the proposed scheme.

1.8 The report is structure as follows:

- **Section 2: Appraisal Specification Report** – presents a high-level review of the ASR and the acceptability of the proposed appraisal approach to be adopted

- **Section 3: Full Business Case Submission** – presents an initial summary of scheme elements included business case submission, alongside the details presented within each of the five ‘cases’ (Strategic, Economic, Financial, Commercial, Management). It also sets out the recommendations to the LEP Local Transport Body relating to the suitability of the scheme for funding.

Overview

2.1 The Appraisal Specification Report (ASR) was submitted for assessment and reviewed by Hatch Regeneris in April 2019. It provided:

- A summary of challenges and issues relating to the station and how the primary objective is to overcome these challenges and issues;
- An overview of the scheme and its location;
- The proposed approach to modelling and appraisal, including:
  - the use of existing data and the requirement for new data collection;
  - a summary of the proposed approach to the economic assessment, including assumptions and parameters;
  - the process for estimating scheme benefits;
  - the estimation of scheme costs;
  - the assessment of value for money; and
  - the approach to determining environmental and other impacts.

2.2 Hatch Regeneris provided initial feedback on overall proposed approach and specific detailed elements. PBA subsequently provided additional clarification and acknowledgement of required revisions to the approach.

Review

2.3 The ASR sets out a clear understanding of the challenges and issues currently facing Reading West Railway Station. These are categorised into issues of ‘poor environment’, ‘security’, ‘poor access’, ‘mobility/access’, ‘fare evasion’, ‘comfort’, and ‘local congestion’, providing clear objectives for improvement.

2.4 A broad overview of the context of the scheme is provided, alongside a description of the main component parts of the schemes, although some additional clarification was required in relation to the footbridge elements of the scheme, which was subsequently provided.

2.5 The ASR highlights that there remains uncertainty whether Great Wester Railways (GWR) will support the installation and/or operation of the proposed ticket barriers. As such, a sensitivity test will be undertaken without this scheme element. It was also agreed with the Applicant that high and low growth sensitivity tests will be undertaken.

2.6 There are GWR proposals for increased train frequencies from the station and it was confirmed with the Applicant, that these will form part of the Reference Case scenario.

2.7 The limitations with some existing station usage and revenue data is highlighted within the ASR and the subsequent requirement for additional survey work to be undertaken. The proposed approach outlined is considered robust and additional confirmation of target sample sizes was provided by the Applicant.

2.8 The general approach outlined for the economic assessment is considered to be consistent with DfT TAG requirements for a railway station scheme of this type and the assessment parameters presented are, broadly, acceptable. Whilst it is considered acceptable that a
60-year appraisal period is applied for the majority of benefits, it was agreed with the Applicant that consideration should be given to the life-expectancy of individual scheme elements and appropriate renewal values included.

2.9 The proposed level of optimism bias to be included within the economic assessment, at 9%, is considered appropriate but that it should be reviewed once further design work and risk assessments have been undertaken for the full business case.

2.10 Section 4.4 of the ASR, describing the estimation of scheme benefits, indicates that the majority of benefits from the scheme will accrue to existing users of the station and those forecast to use the station in the future as a result of background growth. This should include any growth in demand associated with the increase in train frequency. It is not clear, from the ASR, how these benefits to existing users will be captured through the methodology proposed. It has been suggested to the Applicant that that they could be captured through an evaluation of the benefit of an enhanced station environment and safety and security, through the application of industry-standard attribute values.

2.11 The proposed assessment, and capture, of additional fare revenue from generated rail travel is, in principle, acceptable. This assessment will need to focus on additional rail travel generated as a direct result of the station upgrades. It has been noted to the Applicant that including all of this additional fare revenue is only acceptable if it can be demonstrated that there will be no additional impact upon train operating costs for the TOC, nor any impact upon crowding for existing users of the rail services. In other words, the Full Business Case can only claim these additional rail revenue benefits, in full, if there are no associated costs to underlying rail operations and passengers. A brief explanation of the franchising arrangements for the line will be required so that it is clear who captures this increased revenue, noting that this is likely to change over time through re-franchising processes.

2.12 The proposed approach to assessing Marginal External Costs of the scheme is stated within the ASR to follow standard TAG procedures and so is deemed to be acceptable, although no details are presented.

2.13 The approach to assessing active travel benefits is also considered appropriate, although clarification was sought from the Applicant on how it is intended to estimate the proportion of travellers cycling to the station. We understand this will be done on the basis of information collected through the station surveys.

2.14 The approaches to estimating scheme costs, risks, summary economic appraisal, and value for money are all considered acceptable.

2.15 The proportional approach to assessing environmental and social impacts is considered acceptable. For those elements where only a qualitative assessment will be undertaken, clear statements will be required that establish the full range of potential impacts. Clear logic chains should demonstrate how and why they will occur, and the likely scale of each impact.
3. Full Business Case

Overview

3.1 The full business case submission sets out the case for investment in the Reading West Railway Station Upgrade (RWRSU) scheme. The scheme includes the following elements:

- New building and interchange facilities (new ticket office, retail space, ticket barriers, gate for out-of-hours access, new ticket vending machines, new ramp to station platforms, new permanent steps to Platform 1);
- Improvements to platform waiting facilities (shelter, CIS screens and information boards);
- Improvements at the Tilehurst Road entrance (including a suitable design solution for the installation of ticket barriers);
- Better safety and security across the station; and
- Highway improvements on the A329 Oxford Road outside the station, including realignment of Oxford Road and relocation of a bus shelter to create space for the new station building footprint and cycle parking.

3.2 The scope of the station upgrade does not include the installation of lifts, which the scheme optioneering process concluded is not currently affordable. However, the final scheme design will include ‘passive provision’ to enable future installation of lifts if funding materialises.

3.3 It is understood that the operation of the ticket barriers requires two members of staff to be present at the station. At this stage, it remains unclear whether GWR will support this additional staffing. As such, an alternative scenario is also under consideration in which there are no ticket barriers installed and, hence, a lower staffing level required. This is assessed separately within the FBC.

Key Input Assumption and Parameters

3.4 The overarching business case is based upon a range of key assumptions, as follows:

- An increase in train service provision from 2 to 3 trains per hour between Reading and Basingstoke that stop at Reading West Station
- A 60-year appraisal period
- Costs and benefits discounted to 2010 prices
- Rail revenue growth post 2021 of RPI +1%
- Underlying rail passenger growth:
  - 7.1% - 2019 to 2020
  - 8.0% - 2020 to 2021
  - 2% p.a. thereafter
- Rail demand growth capped after 20 years
- Optimism Bias of 9%
Independent Assessor Comment

3.5 It has been confirmed that the proposed rail timetable change is proceeding in December 2019.

3.6 The 60-year appraisal period and the discount period represent the standard for major transport schemes and is considered appropriate given the inclusion of renewal costs within the Financial Case.

3.7 The assumptions around rail revenue and patronage growth appear reasonable and in line within industry expectations.

3.8 The 9% optimism bias is considered acceptable, given the level of detail presented around the scheme costings and that the level of quantified risk applied.

Strategic Case

3.9 The Strategic Case provides an overview of the overarching strategy for the RWRSU scheme in enhancing connectivity and accessibility by rail. It sets out how, alongside economic benefits, the scheme will also maximise social value in relation to affordability of travel, encouraging physical activity, reducing road accidents, improving security, enhancing local access and reducing community severance, and improving reliability and journey quality.

3.10 The key problems associated with the existing station are set out, relating to the areas of ‘poor environment’, ‘security’, ‘poor access’, ‘mobility/access’, ‘fare evasion’, ‘comfort’, and ‘local congestion’. In addition, transport provision within adjacent Oxford Road corridor is described as over-capacity, with significant limitations in the opportunities to enhance road-based provision within this area that suffers from deprivation.

3.11 The impact of not changing is set out, with the inability to attract new rail users to the station due to the poor conditions and the wider implications for accessibility and connectivity.

3.12 The development of four specific scheme objectives to address the identified issues and opportunities is set out. It is further demonstrated that the scheme supports a number of the objectives of the TVB Strategic Economic Plan (SEP).

3.13 The measures for success are set out for each of the four scheme objectives with associated targets.

3.14 A high-level scope is set out identifying the aim to deliver an improved passenger experience and multi-modal interchange.

3.15 The FBC states there are limited constraints to the scheme as it will be delivered within highway land or land owned by RBC or Network Rail. The Oxford Road element of the scheme does not require any planning consent. It is still to be determined if the station entrance works can proceed under Network Rail permitted development rights. Pre-application discussions have commenced with RBC Planning Officers, but it is now understood that a final decision is unlikely until the detailed design (GRIP 3) process has been completed. This may not be until the end of May 2020.

3.16 If required, GWR would submit a planning application in the Summer of 2020. A standard 6-week period for planning consideration would enable the scheme to be approved by September 2020. Based upon the current construction programme for the internal station works, this should not introduce any specific delay to this element of work unless, as an example, there are any objections to the scheme.
3.17 The only *inter-dependency* of the scheme is stated to relate to the availability of LGF funding.

3.18 The key *stakeholders* responsible for delivering the project are highlighted, along with their partnership working to-date and their support for the scheme. Bus operators and the general public are also highlighted as important stakeholders.

3.19 Reference is included to a range of *options* that have been considered for the station enhancement and the fact that this scheme represents Phases 1 and 2 of a three-phase project. The supporting Masterplan document for the station has also been provided, alongside evidence within the Economic Case on the scheme optineering process.

3.20 A section on *fit with policy* identifies a wide range of current and previous policy and strategy documents with which the scheme aligns, with details provided.

**Independent Assessor Comment**

3.21 The Strategic Case demonstrates that there is a clear overarching business strategy for the scheme to address economic and social limitations associated with the current station facility.

3.22 The *problem identification* section provides a detailed assessment of the physical limitations of provision and how these translate into clear areas for improvement. The wider issues with transport capacity along the Oxford Road corridor are also set out, and the limitations for road-based solutions, providing a demonstration of how development will be constrained without additional rail capacity.

3.23 The *impact of not changing* section is, again, relatively detailed in describing the effects of not improving the station, highlighting a range of specific issues.

3.24 The process by which the *scheme objectives* have been established is considered to demonstrate the link with the issues and opportunities previously identified. The reference to how the scheme supports a number of objectives within the TVB SEP also demonstrates wider strategic alignment.

3.25 The *measures of success* provide four indicators and targets, with three related to new public transport trips, and one related to benefits for existing passengers through improved safety and accessibility.

3.26 The established *scope* is adequate, albeit relatively limited in detail.

3.27 No specific *constraints* are identified by the Applicant for the scheme; however, there may be some planning requirements in relation to the station entrance works. The Applicant considers these to be within the permitted development rights of the Train Operating Company/Network Rail, but it is understood that this has yet to be formally agreed with RBC Planning Officer.

3.28 There remains a risk that planning consent will be required for this element of the scheme and that this may not be determined until September 2020. As such, this represents a potential constraint for the project, albeit there are no specific reasons to anticipate that consent would not be granted. In the event of any objections to a planning application, it is considered likely that some delays to the overall programme may occur.

3.29 No *inter-dependencies* are identified, with the exception of the LGF funding. There are no other Network Rail schemes to take into consideration.

3.30 There is a clear description of the partnership working amongst the key *stakeholders*, with letters of support provided.
3.31 It is clear that a range of **options** have been considered and supporting evidence is provided demonstrating how the preferred option has been identified and why it is considered to represent the best value for money.

3.32 The alignment of the scheme to national, regional and local **policy objectives**, is clearly set out. This includes the promotion of public transport and active travel as alternatives to private car, as well as investing in transport to support housing delivery and regeneration.

**Economic Case**

3.33 The Economic Case sets out the overall value for money of the RWRSU scheme. It is supported by a more detailed description of the approach outlined within the Economic Appraisal Report (EAR).

3.34 The Economic Case provides an overview of the range of individual **scheme option** elements that were appraised as part of the Reading West Masterplan (which is also attached). The process of prioritising scheme options is also presented.

3.35 Reference is provided to the various elements of the DfT’s Transport Analysis Guidance (TAG) that will be utilised within the **appraisal process** and the key assessment parameters are provided.

3.36 The limitations with some of the **current station demand data** are reiterated and an overview of the new data collection exercises that were carried out is provided, including:

- A survey of origin – destination of users of Reading West Station
- Station Entry and Exit Counts of users of the station at each of the two access points

3.37 The interview sample size is presented, alongside a description of why it can be considered to be a representative sample.

3.38 An estimation of **base year (2019) station demand** is presented from the results of the entry and exit counts. These provide data for each station access (Tilehurst Road and Oxford Road) during five separate time periods of the day, encompassing 05:00 hours to 22:00 hours. Scheme opening year (2021) forecast demand is derived through application of the stated rail passenger growth factors.

3.39 The **impact of the proposed timetable change** on station demand is set out, following the rail industry standard Passenger Demand Forecasting Handbook (PDFH), resulting in an overall uplift in demand of equivalent to 2.5%.

3.40 Similarly, the **impact of the station facility upgrades** upon demand is also presented, resulting in a forecast uplift in demand of the equivalent of 8.88%. The combination of underlying rail passenger growth, growth from timetable changes, and growth from enhanced station facilities results in a forecast level of passenger demand at Reading West Station in 2021 that is over 28.5% higher than current 2019 levels.

3.41 **Scheme costs** are presented in relation to capital costs, station operating costs, and renewal/maintenance costs. The highways costs have been informed by trial holes, topographical surveys and utilities enquiries. The internal station costs have been developed by an experience and specialist rail cost consultant, under supervision from GWR. Capital costs include construction, land, preparation and supervisions, inflation, and a quantified risk allowance. The main risks are associated with the statutory undertakings. Optimism Bias of 9% is added to the total capital costs within the Economic Case.

3.42 **Operation costs** include staff costs, station maintenance costs, Network Rail costs, ticket machine and information screen costs. Renewal costs for ticket barriers and other equipment is also included.
3.43 **Scheme benefits** have been assessed in terms of:
- Rail fare revenue;
- Retail revenue from kiosk;
- Active Mode impacts (health benefits);
- Station environment benefits;
- Marginal External Costs (car drivers switching to rail); and
- Environmental and Other Impacts.

3.44 A description is provided of the approach adopted to assessing each of these benefits.

3.45 The **economic appraisal** results are presented. The forecast present value of revenue generation exceeds the present value of capital and operating costs combined, in effect creating a negative scheme cost. The scheme also generates positive economic benefits for existing and new rail users (through enhanced station provision) and some limited wider non-user benefits.

3.46 Seven **sensitivity tests** are included, as follows:

1) Without the proposed ticket barriers
2) With a higher level of demand abstracted from other stations *(25% as opposed to 20%)*
3) Low growth assumptions
4) High growth assumptions
5) With 18% optimism bias (as opposed to 9%)
6) Lower demand uplift (6.5%) and 20% abstraction
7) Lower demand uplift (7%) and 30% abstraction

3.47 In four of the sensitivity scenarios (2, 3, 4, and 5), the net present value of costs and revenue is forecast to remain negative (i.e. revenue exceeds costs). For sensitivity scenarios 1 and 6, a benefit cost ratio of over 2 to 1 is achieved. For scenario 7 the benefit cost ratio is 1.7.

3.48 An **Appraisal Summary Table** is attached that sets out the wider assessment of impacts against all economic, environmental, and social criteria.

3.49 A discussion of **Value for Money** is presented in the context of negative PVC and positive PVB. Copies of the Transport Economic Efficiency, Public Accounts and Analysis of Monetised Costs and Benefits tables are all attached.

**Economic Appraisal Report**

3.50 The Economic Appraisal Report (EAR) provides much the same information as the Economic Case, but with some additional detail, primarily around the survey work.

3.51 An overview of the **challenges and issues** of Reading West Station is provided, alongside how these translate into the **scheme objective**. A description of the proposed RWRSU scheme is then set out, with some wider context.

3.52 It details the **additional survey work** undertaken and then provides the detailed findings of the face-to-face interviews conducted with rail users at Reading West Station, including:
• Key origins of respondents;
• Key destinations of respondents;
• A profile of the time that respondents were interviewed, along with the typical time of their return journey;
• Mode of travel used by respondents to access Reading West Station;
• Trip purpose of respondents;
• Frequency of trips by respondents; and
• Ticket types used by respondents.

3.53 A summary of the entry and exit count data collected is presented, in detail, for each station entrance and compared to previous 2017 data for the station. This includes disaggregation by time of day (5am to 7am; 7 to 10am; 10am to 4pm; 4 to 7pm; 7 to 10pm).

3.54 The modelling and appraisal methodology is then presented, followed by the scheme costs, benefits and value for money assessment. This broadly replicates the information presented within the main Economic Case documentation, with some additional commentary, including reference to distributional analysis of impacts.

Independent Assessor Comment

3.55 The Economic Case provides a detailed assessment of the potential economic impacts associated with the RWRSU scheme.

3.56 There is reasonable evidence that a thorough scheme optioneering process has been undertaken to identify the scheme elements that should be included within the overall package of measures. The process by which individual scheme options were prioritised, in part through the Station Masterplanning exercise, is also considered robust.

3.57 The overall framework for assessing costs and benefits, and the parameters and assumptions applied, are considered to be appropriate.

3.58 The data collection exercise undertaken to gain insight into station usage and passenger behaviours is considered robust, with good survey sample sizes achieved. This is considered to provide a strong basis upon which to assess the impacts of the scheme upon demand for travel and traveller behaviour.

3.59 The uplift in underlying rail passenger demand from 2019 survey data to the scheme opening year, 2021, is considered appropriate, as is the uplift in demand associated with the proposed increase in frequency of the Reading to Basingstoke rail service.

3.60 The additional uplift in demand associated with the station improvements applies appropriate industry-standard metrics from PDFH. The uplift of 8.88% is considered relatively significant but the Applicant reiterates the current poor condition of the station and provides wider evidence from other stations to support this level of uplift. We are satisfied that it is reasonable to include this uplift as a central case assumption but that sensitivity tests are required to test the impact of a lower level of uplift.

3.61 The scheme costs take into account upfront capital costs and on-going station operation costs, as well as infrastructure renewal. The assessment is considered to be a robust estimation of the full range of costs associated with the scheme. The levels of on-costs to the total construction costs appear relatively low, with preparation costs of 5.7% and supervision of 5.5%; however, the Applicant has indicated this reflects the level of detailed understanding of site conditions and scheme design.

3.62 Contingency of 25% has been added to the highway costs, and around 15% for station facilities. A further 12.5% quantified risk contingency is added for the station facilities onto
total costs, with 5% added for the highway works. Overall the level of contingency and risk appears appropriate for the scheme.

3.63 Given the level of site investigation works that has been undertaken to understand the risk, the 9% uplift for optimism bias is considered to be appropriate.

3.64 The approaches applied to assess the benefits generated by the scheme are generally all considered to follow both PDFH and DfT TAG procedures. The evidence for the assessment of kiosk income is limited, but we acknowledge the commercial sensitivities around these values, and the overall value is not overly significant.

3.65 The rail fare revenue represents the most significant benefit and has been estimated to be sufficiently high as to offset all of the forecast costs associated with the scheme. In effect, there is evidence that the scheme could be supported by the revenue generation itself, albeit that this revenue will be captured over a 60-year period and so there will be a significant revenue deficit in the initial years as a result of the upfront capital costs of the scheme.

3.66 The active mode benefits are based around a set of reasonable assumptions on the number of additional pedestrian and cyclist movements there will be to the station, as a result of the station improvements, and the distance they will travel.

3.67 The assessment of non-user benefits is also considered to follow standard approach, although the outputs themselves are relatively insignificant in comparison to the other benefits of the scheme.

3.68 The station environment improvement benefits are a key source of benefits for existing rail users and demonstrate that the enhanced station environment and improved safety and security deliver notable benefits to existing rail users.

3.69 The assessment of environmental and social impacts is relatively succinct, albeit some elements are already reported within the assessment of non-user benefits (noise, air quality, greenhouse gases, and accidents) or active mode benefits (physical activity). The scheme is anticipated to have a positive impact upon townscape, security, and access to services, all of which appear logical conclusions, albeit supported by limited evidence. Impacts upon landscape, heritage, biodiversity, water environment, affordability, severance and option values are considered to be neutral. Whilst no evidence it provided to support these conclusions, we consider them to be a reasonable likely outcome for a scheme such as this one.

3.70 The economic appraisal results for the core scenario demonstrate that the forecast present value of all benefits whilst significant (£5.193m) are considerably lower than the combined present value of capital and operating costs (£19.343m). Indeed, the combined benefits are only marginally higher than the present value of the scheme capital costs (£4.524m). The scheme is, therefore, heavily reliant upon the additional revenue generation to justify investment.

3.71 The sensitivity tests provide an opportunity to determine the potential variability in revenue generation and the impact this could have upon the overall case for investment. Under the low growth scenario or higher (25%) demand abstraction from nearby stations, the revenue generated is still in excess of the full capital and operating costs of the scheme.

3.72 In the event that the ticket barriers are not included within the scheme, then revenue is forecast to be 20% lower and would be less than the capital and operating costs associated with the scheme without ticket barriers. The benefit cost ratio in this instance would still be just over 2 to 1.

3.73 The PDFH guidance makes reference to some case study evidence at smaller stations where demand uplift from station enhancements equated to 7% but with 30 abstraction rate. Under this sensitivity test for Reading West, revenues are again forecast to fall by
20% but, since costs remain constant, the benefit cost ratio falls to 1.7 to 1. This indicates that the Reading West scheme does need to out perform previous case study schemes in relation to the uplift in demand and/or minimise the level of abstracted demand from nearby stations. In the case of the latter, this is considered to be relatively likely, given the absence of alternative nearby rail options, even with the delivery of the new Green Park Station to the south. On this basis, it is considered reasonably unlikely that a set of conditions will prevail whereby revenue generation from new passenger trips falls to a level where the benefit cost ratio would be under 2 to 1.

3.74 The **Appraisal Summary Table** provides an adequate summary of the appraisal undertaken across the Economy, Environmental, Social, and Public Accounts criteria.

### Financial Case

3.75 The Financial Case provides in detail the estimated funding and cost profile and breakdown of the scheme.

3.76 A full **cost breakdown** of the scheme is provided in 2016 prices for the following two component parts of the scheme:

- Highway Works = £877,011 (2016 prices)
- Station Facilities = £3,383,930 (2016 prices)

3.77 The breakdown provides details on preliminaries, general scheme costs, utilises, and electrification works. In addition, a contingency is added to the general costs, along with preparation and supervision costs. There are no land costs associated with the scheme.

3.78 Detailed breakdowns of individual cost element are provided within an appendix.

3.79 **Inflation** is added to the 2016 costs to bring them into line with the spend profile and further **quantified risk allowance** is added to the overall scheme costs.

3.80 A breakdown of funding sources:

- Local Growth Fund = £3,100,000
- Network Rail = £940,000
- Council Capital Programme = £200,000

### Independent Assessor Comment

3.81 The overall Financial Case provides sufficient information to give confidence in the broad estimate of the scheme costs in relation to each of the two scheme elements. Significant site investigation works have already been undertaken and concept designs are well-established. Cost have been produced by a suitably qualified quantity surveyors and cost consultants.

3.82 The RBC-led elements of the project are considered to be more developed than the internal station works. It is understood that the latter still requires detailed design (GRIP 3) process to be undertaken and that some significant risks remain that could affect the overall scheme costs.

3.83 The project is front-loaded with non-LGF expenditure, to instigate the station electrification works, as well as preliminary highway works.

3.84 The **total funding package** is marginally below the forecast outturn cost of the scheme, but it is understood that any cost overruns would be covered by RBC.
The combined level of **contingency and risk** applied to each of the two individual scheme elements is considered to be robust, representing around 15% of the final budget. This would appear to be a satisfactory level of contingency to cover most financial risks associated with the project, with the possible exception of congestion relief requirements within the station. The potential requirement for these additional works may not be known until May 2020.

Two separate Risk Registers are provided with the FBC for the Oxford Road works and the internal station works. The former can be considered a quantified risk register, whilst the latter assesses the scale of risks, without specifically identifying how the quantified risk value has been calculated. This would explain why the proportion of financial risk contingency added for the internal station works (12.6%) is significantly higher than for Oxford Road (4.9%), as there is clearly less certainty about the financial impacts of these risks.

**Commercial Case**

The Commercial Case provides evidence on the commercial viability and outlines the procurement strategy of the scheme.

An **outputs-based specification** is provided setting out the requirements of the scheme.

**Oxford Road Works**

RBC will have responsibility for delivering the Oxford Road elements of the scheme. The scheme and associated works will be delivered through the Council’s in-house team and utilising the Direct Labour Organisation. This team is already engaged on the project through site investigation works and it is stated it is of sufficient size and experience to deliver the highway elements of the scheme.

Individual **payment mechanisms** will be negotiated with providers/contractors for individual elements of the work, utilising NEC3 payment options.

**Risks** will generally be placed with individual providers/contractors, unless it is considered that the project sponsor has good experience of managing a specific risk, is best placed, or is the only entity capable of managing the risk.

**Contract lengths** would be 24-months to provide adequate time for construction completion. The design and delivery of **contracts will be managed** by RBC’s Strategic Transport Projects Team.

**Internal Station Works**

The station improvement elements of the project will be **procured** in accordance with SMS-1350-00 Procurement and Supplier Management Procedures. Consultants will be sourced from the Property Consultants Framework, via a tender or mini-competition process, with a clear focus on best value for money.

GWR have a sustainable **procurement strategy** and will ensure the process is fully compliant, accountable and auditable.

GWR will be responsible for all works within the station lease area and will be **governed** by the Governance for railway Investment Projects (GRIP) process. They will implement a Contract Management Strategy under this process.

A full assessment of **risks** encompassing: supplier; financial; process; supply chain; control' environmental; and social.

A full **Risk Management Plan** will be developed for the whole project encompassing workshops, reviews, and meetings. Identified risks will be added to a Risk Register.
Independent Assessor Comment

3.98 The Commercial Case is relatively detailed but could elaborate on a few aspects to strengthen and provide reassurance.

3.99 The outputs-based specification provided is considered satisfactory.

3.100 Procurement strategies are set out for each separate element of the project (highways and station improvements). Supplementary information has been provided that identifies why the chosen procurement routes for both the Oxford Road and internal station works represents the most effective and efficient route to delivering each element of the scheme.

3.101 The approach to establishing contracts and management procedures is well set out and there is a clear approach to identifying, allocating, and managing risk during the procurement and delivery process.

Management Case

3.102 The Management Case presents information on how the proposal will be delivered and managed.

3.103 A short description of RBC’s and GWR’s previous experience delivering public transport and highway improvement projects is provided.

3.104 It is stated that it will be necessary to deliver the highway improvements on Oxford Road in advance of the station facility works, but otherwise no project dependencies are identified.

3.105 A description of the overall governance and project manager roles is provided.

3.106 A high-level Project Plan is attached, with a more detailed project programme to be developed and utilised as a ‘live’ document.

3.107 A short description of project assurance processes within RBC is provided, with key decisions referred to the Cabinet. The GWR Project Charter is outlined as the mechanism by which the internal station works will be delivered.

3.108 The approach to communications and stakeholder management is set out, with a clear process outlined and key stakeholders identified.

3.109 Programme and reporting protocols are outlined and the implementation of works streams set out, with key issues for implementation highlighted.

3.110 Contract management processes are outlined for each element of the project, with a standard NEC3-type format used for the highway works and a JCT-type contract for the internal station works.

3.111 Two initial Risk Registers have been prepared and are attached for the Oxford Road corridor works and the internal station works. It is stated that these will be updated on a regularly basis throughout the life of the project.

3.112 A benefit realisation plan will be developed that is aligned to the monitoring and evaluation plan. Key metrics will include outturn capital and operating costs, rail demand and revenue generation, and growth in station users, including cyclists. Data requirements for monitoring & evaluation are established.

3.113 Contingency planning arrangements are set out, with a specific focus around the risks relating to utilities diversion.
Independent Assessor Comment

3.114 The examples of *previous experience* provide sufficient confidence that the two project teams tasked with delivering the individual parts of the project have the necessary experience. The overview of *project governance* is relatively succinct but provides a broad overview of the processes that will be employed.

3.115 The *project programme* provides evidence that an overall delivery plan is in place. The Oxford Road programme elements appear well advanced; however, the internal station works appears to have significant design and planning elements still to be instigated, yet alone completed. Upon further clarification, it is understood that the detailed design (GRIP 3) process may not be completed until May 2020. Furthermore, any planning requirement for this element of the project will also not be known until this point. Both these uncertainties could impact upon both the overall delivery programme, as well as potential scheme costs.

3.116 *Assurance* processes for RBC and GWR are set out, albeit at a relatively high level of detail. The proposed approach to *stakeholder engagement*, and the identification of key stakeholders, provides sufficient evidence of a robust communications plan.

3.117 The *reporting protocols*, *implementation of workstreams*, *key issues for implementation*, and *contract management* each provide evidence of how each element of the project will be managed.

3.118 The *Risk Registers* provide an initial assessment of the levels of risk associated with the delivery of the Oxford Road corridor and internal station element of the project, along with a set of proposed mitigation measures. Both are considered to be reasonably robust assessments, albeit that it indicates the levels of risk are much higher in relation to the internal station works.

3.119 There is a risk related to the potential need for planning consent for the station entrance works. At this stage, no planning application has been submitted, although a provisional process for securing planning consent for the internal station works is included within the programme. Further clarification has indicated that the need for planning consent may not be resolved until May 2020, and that any necessary planning consent may not be granted until September 2020. Whilst this may not specifically affect the delivery programme for the internal station works, it could mean that the Oxford Road works are scheduled to begin in advance of planning consent being granted for the internal station works. Furthermore, whilst there are no specific reasons why planning consent would not be granted, any potential objections to the scheme could delay the overall programme for delivery.

3.120 The risk register indicates that a ‘safety validation and pedestrian flow’ analysis is still required to determine whether or not there will be any congestion relief requirements within the station as a result of the scheme. It is implied that any such requirement could significantly increase the cost of the scheme, potentially making it unaffordable. This information may not be available until May 2020.

3.121 The risk register indicates that further structural analysis of the Tilehurst Road embankment is required to determine if further structural reinforcement is required. This could result in increased scheme costs, although it is understood that this is likely to be covered within the contingency allowance included within the budget. This information may not be available until May 2020.

3.122 Whilst the *Benefits Realisation Plan* has yet to be formalised, there is a clear *Monitoring and Evaluation Plan* that establishes key metrics and data requirements. No specific target metrics have been established, which we suggest are produced prior to the finalisation of the scheme.

3.123 The *contingency planning* focusses primarily around the issue of utility diversions, identified as the greatest risk. The process by which this is being managed is outlined.
Summary and Conclusions

Summary

3.124 The review of the five cases has identified the following key points for consideration:

- The **Strategic Case** demonstrates the scheme aligns well to policy objectives and that it will address very specific needs for enhancing the condition of Reading West Station, which is currently very poor and suffers from anti-social behaviour. The scheme will address these issues and encourage greater rail patronage, increasing levels of sustainable travel within the wider transport corridor.

The Applicant has indicated the level of project constraints are limited, but a planning-related issue has been identified. Whilst the RBC-led works on Oxford Road do not require planning consent, there is a risk that the new station entrance will not be allowed under permitted development rights and so a planning application would be required. This may not be known until May 2020 and so any required application would not be submitted until Summer 2020 and may not be determined until September 2020. Whilst this may not specifically affect the overall programme, any objections during the planning process could incur delays.

- The overall **Economic Case** for the scheme appears strong with the likelihood that the scheme will deliver ‘Very High’ value for money from investment. This is primarily as a result of the additional rail patronage revenue that is forecast to be generated from new users of the Reading West Station, meaning that the scheme is forecast to generate higher revenues than total costs, over the 60-year appraisal period.

In terms of economic benefits, the scheme is only forecast to generate just over £5m in benefits against scheme capital costs of around £4.5m. As such, the scheme is only justifiable on the basis of the rail revenues that are generated and will be passed to Central Government through the franchising process.

A wide range of sensitivity test have been undertaken on the results of the economic assessment and, in all but one case, the value for money for the scheme is anticipated to remain, at worst, high. For the other test, assessing lower levels of new rail passenger demand, the benefit to cost ratio falls to 1.7 to 1, representing ‘medium’ value for money. It is considered relatively unlikely that this outcome would occur.

- The overall **Financial Case** provides sufficient information to give confidence in the broad estimate of the scheme costs, as well as a profile of spend. Some financial risks related to the final design of both the Oxford Road and internal station works elements of the project remain. There would appear to be a satisfactory level of contingency to cover most financial risks associated with the project, with the possible exception of congestion relief requirements within the station. The final scheme costs may not be known until May 2020 and it is not clear how any increases in costs that exceed the contingency allowances would be covered.

- The **Commercial Case** is relatively succinct but, in general, is considered to provide sufficient information to demonstrate that both the RBC-led and GWR-led elements of the scheme are being procured in an effective manner and will be subject to clear governance, assurance and management procedures.

- The **Management Case** provides a reasonable amount of detail to demonstrate the necessary governance and assurance processes are in place, and the project team has the necessary experience, to successfully deliver the project.
Whilst a detailed project programme is in place, there remain some uncertainties in relation to both the necessary design of some scheme elements, as well as planning requirements. This has the potential to impact upon both the overall delivery programme, as well as potential scheme costs.

Conclusions

3.125 The Strategic Case demonstrates alignment with strategic priorities and the provides strong evidence of the current poor conditions at Reading West Station and the requirement for enhancement to promote sustainable travel.

3.126 The approach to assessing the economic benefits of the scheme is considered to be robust, but it is recognised that there is significant reliance upon the forecast level of revenue generated from new passengers to off-set the capital and operating costs of the scheme. If rail patronage levels were not to meet expectations, then the scheme may only achieve ‘medium’ value for money; however, this is considered to be relatively unlikely outcome.

3.127 The Financial Case is considered to be broadly sound, with a reasonable level of contingency and risk. However, the final scheme costs for the internal station works may not be known until May 2020, and there remains a risk that the overall scheme costs could exceed the total allocated budget. It is not clear how any potential need for additional funding would be covered, or if this would affect the overall scale of the project that would be delivered.

3.128 The Commercial Case is considered to be relatively succinct but there is sufficient evidence to conclude that the RBC-led and GWR-led elements of the scheme are to be procured in an effective manner.

3.129 The Management Case provides reasonable assurance that overall processes are in place to effectively oversee the delivery of the scheme. There are, however, some notable risks remaining in relation to the final scheme design and planning-related matters that could affect either the delivery programme and/or the overall cost of the scheme.

3.130 It is our conclusion that there appears to be a strong overarching case for investment in the scheme but that notable uncertainties remain in relation to the final detailed design and planning requirements. These issues are of particularly pertinence as they may not be resolved until May 2020.

3.131 To approve this scheme, we would recommend that a clear process is established by which to monitor and update these risks on a monthly basis, and that TVB LEP should retain the right to withhold funding unless completely satisfied that the full scheme will be completed, in its entirety (as specified within the FBC), by September 2021.
PART I

Item 7: Financial Approval 2.37 Bracknell: A322/ A329 Corridor Improvements

Purpose of Report

1. To consider giving financial approval to scheme 2.37 Bracknell: A322/A329 Corridor Improvements.

2. This project delivers significant improvements to one of the key highway corridors in Thames Valley Berkshire. The project will significantly help in terms of accommodating movements and reducing congestion between the M4 and M3 and between Reading, Wokingham, Bracknell, Bagshot and beyond, as well as improving North-South links between the M3 and M4.

Recommendation

3. You are recommended to give scheme 2.37 Bracknell: A322/A329 Corridor Improvements full financial approval in the sum of £2,000,000 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below.

Other Implications

Financial

4. A re-prioritisation exercise was undertaken in advance of previously allocated Growth Deal Funds and returned to the Growth Deal “pot” for re-allocation. Scheme 2.37 Bracknell: A322/A329 Corridor Improvement is funded from this reallocation.

5. This report recommends that Bracknell Forest Council be authorised to draw down the capital sum £2,000,000 from the Local Transport Body funding for this scheme.

6. The funding agreement set out at paragraph 11 step 5 sets out the roles and responsibilities, reporting and auditing arrangements, timing and triggers for payments, contributions from other funders, consequences of delay, consequences of failure, claw back, and evaluation requirements at one and five years on.
**Risk Management**

7. The risk management arrangements already put in place by the Local Transport Body are as follows:
   - The Assurance Framework\(^1\) has been drafted following DfT guidance and has been approved by the DfT for use in allocating capital funds for transport schemes
   - Hatch Regeneris have been appointed as Independent Assessors and have provided a full written report (see Appendix 1) on the full business case for the scheme
   - The funding agreement set out at paragraph 11, step 5 makes clear that the financial risk associated with implementation of the scheme rests with the scheme promoter.

**Human Rights Act and Other Legal Implications**

8. The scheme promoter is a local authority and they have to act within the law. Slough Borough Council will provide legal support for the BLTB, should any questions arise.

**Supporting Information**

9. The scheme will be carried out for Bracknell Forest Council.

10. The full details of the scheme are available from the [Bracknell Forest website]\(^2\). A summary of the key points is given below:

<table>
<thead>
<tr>
<th>Task</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>Via the Council’s Term Contractor</td>
</tr>
<tr>
<td>Contractor appointed</td>
<td>As above</td>
</tr>
<tr>
<td>Construction</td>
<td>July 2020</td>
</tr>
<tr>
<td>Open to public</td>
<td>March 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funder</th>
<th>Cost (approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme development</td>
<td>Bracknell Forest Council</td>
<td>£400k</td>
</tr>
<tr>
<td>Major scheme funding</td>
<td>Berkshire Local Transport Body</td>
<td>£2.00m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£2.4m</strong></td>
</tr>
</tbody>
</table>

11. The table below sets out the details of this scheme’s compliance with steps1-5 of paragraph 14 of Assurance Framework\(^3\).

<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.37 Bracknell A322/A329 Corridor Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The project was originally devised to deliver significant improvements</td>
</tr>
</tbody>
</table>

\(^1\)http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum
\(^2\)https://www.bracknell-forest.gov.uk/strategic-economic-plan/background
\(^3\)http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum
to one of the key highway corridors in Thames Valley Berkshire. The project will significantly help in terms of accommodating movements and reducing congestion between the M4 and M3 and between Reading, Wokingham, Bracknell, Bagshot and beyond, as well as improving North-South links between the M3 and M4. The SEP assessment process was used and the scheme was given 23.5 points and ranked 6th of 17 schemes submitted.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Raw score</th>
<th>Weighting</th>
<th>Weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>3</td>
<td>1.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Deliverability</td>
<td>3</td>
<td>2.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Economic Impact</td>
<td>2</td>
<td>4.0</td>
<td>8.0</td>
</tr>
<tr>
<td>TVB area coverage</td>
<td>2</td>
<td>1.5</td>
<td>3.0</td>
</tr>
<tr>
<td>Environment</td>
<td>1</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Social</td>
<td>3</td>
<td>0.5</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>23.5</strong></td>
</tr>
</tbody>
</table>

Programme Entry status was given by the BLTB on 31 January 2019⁴. The Bracknell Forest website⁵ holds the latest details of the full business case, including the VfM statement certified by the senior responsible officer.

Any comments or observations on the scheme received by either TVB LEP or Bracknell Forest Borough Council have been fully considered during the development of the scheme.

The report of the Independent Assessor is attached at Appendix 1. The Independent Assessor was asked to report as follows:

- Completeness – has the promoter prepared a complete Full Business Case submission, when judged against the prevailing advice from the DfT
- Accuracy – has the promoter performed the relevant calculations and assessments accurately and without error
- Relevance – has the Full Business Case considered all relevant matters, including use of appropriate forecasting models and planning assumptions, and has it included any irrelevant considerations such unduly-optimistic assumptions or out of date modelling data
- Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance
- Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme.
- Remedies – where the independent assessment reveals a gap between the FBC supplied and the standard anticipated by the DfT guidance, then the advice for the LTB should include recommendations for remedial actions required – e.g., collection of further data, sensitivity tests on particular assumptions etc.

⁵ [https://www.bracknell-forest.gov.uk/strategic-economic-plan/background](https://www.bracknell-forest.gov.uk/strategic-economic-plan/background)

<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.37 Bracknell A322/A329 Corridor Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 3: Conditional Approval</td>
<td>The Independent Assessor has recommended that in this case Full Financial Approval is appropriate.</td>
</tr>
<tr>
<td>Step 4: Recommendation of Financial Approval</td>
<td>The scheme has a Benefit- Cost Ratio (BCR) of 5.18</td>
</tr>
<tr>
<td>- High Value for Money</td>
<td>DfT has set thresholds of 2.00 (High VfM) and 4.00 (Very High VfM) and schemes with BCRs above these thresholds can described as having High or Very High Value for Money.</td>
</tr>
<tr>
<td>- Support of the Independent assessor</td>
<td></td>
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</tbody>
</table>

Step 5: Formal Agreement - roles - responsibilities - implementation - reporting - auditing - timing and triggers for payments, - contributions from other funders, - consequences of delay, - consequences of failure, - claw back, - evaluation one and five years on

The capital grant of £2,000,000 is a maximum figure which cannot be increased but may be reduced if savings are achieved during implementation. In the event that Bracknell Forest Council wishes to alter the profile of the grant payments, it must seek prior written permission from TVB LEP, having first raised the matter with the BLTB. The grant is made subject to the following:

1. **Roles**: TVB LEP is a part funder of the scheme. Bracknell Forest Council is the scheme promoter and is the relevant highway and planning authority.

2. **Responsibilities**: TVB LEP is responsible for allocating the capital finance in accordance with its Assurance Framework. Bracknell Forest Council is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, any other statutory duties, and any financial or other liabilities arising from the scheme.

3. **Implementation**: In addition to any reporting requirements within Bracknell Forest Council, the scheme promoter will use the proforma supplied by TVB LEP to make reports on progress of the implementation of the capital scheme to each meeting of the BLTB until the build is complete. In particular, Bracknell Forest Council will report on any change in the size, scope or specification of the scheme; and on any substantial savings against the scheme budget whether achieved by such changes to the size, scope or specification of the scheme, or through procurement, or through the efficient implementation of the scheme.

4. **Reporting**: The scheme promoter must provide accurate, timely, verified and quality assured quarterly monitoring and forecast data, which relate to defined output and outcome indicators agreed between TVB LEP and government as a condition of the Growth Deal. This scheme will not be required to participate in an evaluation as set out in the Growth Deal Monitoring and Evaluation Plan.

5. **Auditing**: Bracknell Forest Council will keep financial records such that the expenditure on the scheme is readily identifiable, and if and when BEIS, DfT or other government department or the Accountable...
<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.37 Bracknell A322/A329 Corridor Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Body for TVB LEP requests access to financial or other records for the purposes of an audit of the accounts, Bracknell Forest Council will co-operate fully.</td>
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<tr>
<td>6. <strong>Timing and Triggers for payments:</strong> See the Claim Proforma at Appendix 1 of the Capital Grant Letter – available on request.</td>
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<tr>
<td>7. <strong>Contributions from Other Funders:</strong> Bracknell Forest Council capital programme will contribute £400,000 in 2019/20. In the event that the scheme experiences or it is anticipated that the scheme will experience a shortfall in these contributions, Bracknell Forest Council will be required to notify TVB LEP of these developments. The provisions of clauses 8, Consequences of Delay; 9, Consequences of Change to the Design or Specification of the Scheme; or 10, Consequences of Failure will then be applied.</td>
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<tr>
<td>8. <strong>Consequences of Delay:</strong> In the event that the scheme experiences minor delays to its overall Business Case programme (no more than 10 weeks), Bracknell Forest Council will report these delays and the reasons for them, and the proposed remedial action to the next available meeting of the BLTB. In the event that the scheme experiences major delays to its overall Business Case programme (11 weeks or longer) Bracknell Forest Council will be required to seek permission from TVB LEP to reschedule any payments that are due, or may be delayed in falling due because of the delay to the overall Business Case programme.</td>
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<tr>
<td>9. <strong>Consequences of Change to the Design or Specification of the Scheme:</strong> In the event that Bracknell Forest Council wishes to change the design or specification of the scheme such the scheme delivered will vary in any material aspect from the description given in the overall business case, Bracknell Forest Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Bracknell Forest Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Bracknell Forest Council in respect of this scheme.</td>
<td></td>
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<tr>
<td>10. <strong>Consequences of Failure:</strong> As soon as it becomes apparent to Bracknell Forest Council that it will not be possible to deliver the scheme within the current LGF programme, i.e. by the end of 2020/21, written notice shall be given to the Accountable Body for TVB LEP. No further monies will be paid to Bracknell Forest Council after this point. In addition, consideration will be given to recovering any monies paid to Bracknell Forest Council in respect of this scheme.</td>
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<tr>
<td>11. <strong>Claw back:</strong> If the overall scheme achieves savings against budget, these savings will be shared by TVB LEP and the other funders noted above in proportion to the amounts set out in the Financial Profile. The Accountable Body for TVB LEP reserves the right to</td>
<td></td>
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<tr>
<td>Assurance Framework Check list</td>
<td>2.37 Bracknell A322/A329 Corridor Improvements</td>
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<td>claw back any amounts of grant that have been spent on purposes other than the scheme as approved and any repayments due as a consequence of changes to the design or specification of the scheme or scheme failure.</td>
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<td>12. Evaluation One and Five Years On: Bracknell Forest Council will produce scheme evaluations One and Five years after practical completion that comply with DfT guidance.</td>
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<tr>
<td>Other Conditions of Local Growth Funds: Bracknell Forest Council will acknowledge the financial contribution made to this scheme through Local Growth Funds and follow the “Growth Deal Identity Guidelines”⁶. It will also give due regard to the Public Services (Social Value) Act⁷, particularly through the employment of apprentices across the scheme supply chain.</td>
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**Conclusion**

12. It is the conclusion of the Independent Assessor that there is sufficient evidence presented to support the overall case for investment in the scheme. Whilst the impacts of the scheme at a strategic level may be limited, it still aligns well to strategic policy and will clearly deliver significant localised benefits during the PM peak period. The overall value for money for the scheme is very high and the deliverability of the scheme would appear to be relatively low risk. On this basis, we recommend the scheme for approval.

**Background Papers**

13. The LTB and SEP scoring exercise papers are available on request.

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Independent Assessment Summary Report: A322/A329 Corridor Improvements
Scheme Ref. 2.37

A Final Report by Hatch Regeneris
November 2019
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Executive Summary

i. This technical note provides an independent assessment of the A322/A329 Corridor Improvements Scheme Business Case submission to the Thames Valley Berkshire Local Enterprise Partnership (TVB LEP).

Scheme Summary

ii. The business case submission sets out the case for investment in improvements along the A322 and A329 corridor. The proposals incorporate two distinct scheme elements:

- Enhancements to Vigar Way Roundabout, located 100 metres off the A329; and
- Enhancements to the Sports Centre Gyratory, located on the A322.

iii. The schemes incorporate signalisation of the Vigar Way Roundabout, with additional circulatory capacity, and an additional exit lane at the Sport Centre Gyratory.

iv. The overall scheme cost is estimated to be £2.04 million, with £1.6 million sought from the Local Growth Fund (LGF).

Review Findings

Conclusions

v. The Strategic Case demonstrates the scheme forms part of an on-going wider programme of enhancements to the A322/A329 corridor that aligns well with strategic priorities of the sub-region. The localised issues of congestion at the junctions is identified, albeit the potential impacts upon strategic movements along the corridor is absent due to limitations in the analysis tools available.

vi. The traffic modelling work undertaken broadly follows standard industry practices but there are some limitations in the input data. This will affect the robustness of the outputs and this should be taken into consideration when reviewing the overall conclusions.

vii. The outputs from the model indicates that the Vigar Way scheme element may only deliver benefits within the PM peak period, certainly within the short to medium term. The introduction of traffic signals could slow some traffic movements during the AM and Inter-Peak periods. The benefits are also broadly confined to the Vigar Way roundabout and is unlikely to significantly impact upon congestion for through trips on the A329 at the adjacent Jennett's Park Roundabout.

viii. The Sports Centre Gyratory scheme element is relatively small in nature but is forecast to deliver positive impacts.

ix. The Financial Case is considered sound, with sufficient information presented and clear allowances for inflation, risk and contingency.

x. The Commercial and Management Cases are succinct but, given the scale of the scheme, are considered to provide sufficient assurance that the projects will be delivered effectively and efficiently.

xi. It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. Whilst the impacts of the scheme at a strategic level may be
limited, it still aligns well to strategic policy, and will clearly deliver significant localised benefits during the PM peak period. The overall value for money for the scheme is very high and the deliverability of the scheme would appear to be relatively low risk.

**Recommendations**

xii. Whilst the scheme has some apparent shortfalls, on the basis that it broadly aligns with overall policy, delivers very high value for money, and is deliverable, we recommend the scheme for approval.
1. Introduction

1.1 This report provides an independent assessment of the Full Business Case (FBC) submitted by Bracknell Forest Council (BFC) for the delivery of the A322/A329 Corridor Improvements scheme.

1.2 The report considers the evidence presented and whether it represents a robust case for the investment of Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) growth deal funds.

1.3 The independent assessment has applied criteria from TVB LEP assurance framework and the requirements for transport scheme business cases set out within the Department for Transports (DfT) WebTAG.

Submitted Information

1.4 The independent assessment process for the A322/A329 Corridor Improvements submission has been conducted on the following set of documentation submitted by BFC and their consultant team (WSP):

- Full Business Case Report (21st October 2019)

1.5 In addition to these formal documents, Hatch Regeneris have engaged with BFC and their consultants between August 2019 and November 2019 to discuss the requirements of the final business case submission and comment upon the acceptability of the proposed appraisal approach and input assumptions and parameters.

1.6 No Option Appraisal Report was submitted as part of the business case process.

Report Structure

1.7 This Independent Assessors Report responds to the formal submission of documentation, as well as the informal engagement process with BFC and their consultants, to provide a review of information provided, assess it suitability and robustness against TVB LEPs assurance requirements, and provide recommendations in relation to the approval of LEP funding for the proposed scheme.

1.8 The report is structure as follows:

- **Section 2: Appraisal Specification Report** – presents a high-level review of the ASR and the acceptability of the proposed appraisal approach to be adopted
- **Section 3: Full Business Case Submission** – presents an initial summary of scheme elements included business case submission, alongside the details presented within each of the five ‘cases’ (Strategic, Economic, Financial, Commercial, Management). It also sets out the recommendations to the LEP Local Transport Body relating to the suitability of the scheme for funding.

Overview

2.1 The Appraisal Specification Report (ASR) was submitted for assessment and reviewed by Hatch Regeneris in September 2019. It provided:

- An overview of the overall package of scheme measures and the location of the two component elements;
- The proposed approach to modelling and forecasting, including a description of the LINSIG models to be utilised;
- The proposed approach to developing the Economic Case, including how the outputs from the LINSIG modelling will be utilised; and
- Reference to the qualitative environmental and social impact assessment process.

2.2 A telecom was held with the consultants leading the development of the business case (WSP), to discuss the broad approach.

Review

2.3 The ASR sets out a clear overview of the context of the scheme and provides high level details of the two component elements of the proposed scheme. Additional information was sought from the Applicant on the specific details of the design and operation of each scheme element, which were provided verbally.

2.4 The proposed approach to the scheme assessment is to utilise two separate LINSIG models for each of the two junctions. Whilst this will provide a detailed assessment of the impact of each individual junction enhancement, it will not permit any cumulative impacts across the A322/A329 corridor to be assessed. In particular, it will not permit the assessment of any potential reassignment of trips across the network. The ASR indicates that no reassignment is anticipate, in which case the proposed approach is considered appropriate; however, the FBC will need to provide evidence that this is the case.

2.5 The proposed LINSIG model for Vigar Way Roundabout only encompassed the junction itself. Given the close proximity, and stated importance of the scheme, to the A322, it was agreed with the Applicant that the model should be extended to include the adjacent Jennett’s Park Roundabout on the A322.

2.6 The ASR describes various future year model scenarios. It is recognised that Vigar Way Roundabout provides direct access to a new residential development, Eton Place. It is not clear when the Eton Place development was completed and occupied and whether the trips associated development trips will be captured within the March 2019 survey work. If not, it would be a requirement to include them in future year modelling.

2.7 On the basis of the agreed expanded Vigar Way LINSIG model, the approach to assessing the economic benefits of the scheme, in terms of monetised journey time savings, is considered acceptable. The proposed treatment of scheme costs was also considered to be robust.

2.8 The ASR includes the proposed approach to assessing all of the individual economy, environmental, and social impacts. A number of these were listed as not to be assessed. It was subsequently agreed with the Applicant that all criteria need to be considered, if only to demonstrate why there will not be an impact. In particular, the issue of journey reliability,
accidents, access to services, severance, and the full range of environmental criteria need to be considered. It was agreed that the impact on indirect taxes should be neutral if there is evidence that there will be no change in vehicle demand or reassignment.

2.9 Based upon the assumption that the revisions to the approach agreed with the Applicant will be undertaken, then the approach outlined was considered to be acceptable.
3. Full Business Case

Overview

3.1 The full business case submission sets out the case for investment in improvements along the A322/A329 corridor. The scheme is split into two distinct elements:

- Signalisation of the Vigar Way Roundabout, located approximately 100 metres off the A329; and
- Provision of additional circulatory capacity and an additional exit lane at the Sport Centre Gyratory, located on the A322.

3.2 Both scheme elements are designed with the aim to provide additional throughput at each junction, reducing delays and queues across the strategic corridor.

3.3 Whilst the Vigar Way Roundabout is not directly located on the A329 corridor, its close proximity means there are significant interactions between delays and queues at this roundabout and subsequent impacts at the Jennett’s Park Roundabout on the A329.

Key Input Assumption and Parameters

3.4 The overarching business case is based upon a range of key assumptions, as follows:

- That the schemes are of a design and scale that will not result in any strategic re-routing of traffic across the area.
- Use of local junction models (LINSIG) to assess each individual scheme, as opposed to the use of a strategic traffic model covering the whole corridor
- Use of a 2026 and 2036 future year models, with no specific model representing the scheme opening year in 2021
- 60-year appraisal period from 2026, discounted to 2010 prices.
- Annualisation factors
  - Vigar Way: AM = 685 IP=1,518 PM = 704
  - Sports Centre: AM = 687 IP=1,518 PM = 759
- Optimism bias of 20% applied within the economic assessment.

Independent Assessor Comment

3.5 The assumption that the schemes will not result in any strategic re-routing of traffic is important as it affects the manner in which various aspects of the scheme appraisal are undertaken. On the basis that there is no significant re-routing, then the use of local junction models, instead of a strategic traffic model, is appropriate. In addition, the potential impacts upon a number of environmental and social criteria (e.g. noise or accidents) can be considered to be broadly neutral in the absence of re-routing traffic.

3.6 The scale of the Sport Centre Gyratory scheme is relatively small, reflecting a single additional circulatory land on one side of the gyratory. Whilst it will reduce delays at the junction, it may be reasonable to expect that the impact upon strategic route choice may be minimal.
3.7 At the Vigar Way Roundabout, whilst the scheme is more substantial, with the introduction of traffic signals, the location of the roundabout off the A329 is likely to limit the impact the improvements have upon re-routing of traffic.

3.8 The use of the 2026 and 2036 future year modelling, with an absence of a scheme opening year 2021 model, whilst not standard practice, is not considered to unduly impact upon the assessment. This is due to the approach adopted to assessing the economic impacts, which takes due consideration of the absence of the 2021 model and does not accrue benefits until 2026, as a conservative measure.

3.9 The appraisal period, discount period, and the annualisation factors are all acceptable.

3.10 The level of optimism bias is considered appropriate for the level of scheme design.

**Strategic Case**

3.11 The Strategic Case provides a high-level overview of the socio-economic characteristics of the wider area, before considering the overarching strategic priorities for the Thames Valley Berkshire LEP, as set out within the Strategic Economic Plan, as well as National Infrastructure Delivery Plan, the National Planning Policy Framework, and Bracknell Forest’s Core Strategy and Local Transport Plan. It examines how the aims of the proposed scheme align to the policies within these documents. The strategic importance of the A322/A329 is also established in relation to travel to work areas and planned growth across the sub-region.

3.12 The problem identification section outlines the on-going programme of improvement works along the strategic A322/A329 corridor but that there remain a number of locations where improvements would aid the flow of strategic traffic movements across the corridor. This includes Vigar Way Roundabout and the Sports Centre Gyratory. Google maps traffic congestion data is presented for the AM and PM peak periods to demonstrate the levels of congestion at each junction and on the surrounding network. Alongside this, data from the LINSIG traffic models created for the Economic Assessment is also presented to demonstrate the current and future operational performance of each of the junctions.

3.13 The impacts of not changing are set out with a discussion of how these incremental enhancements are required to ensure the maximum delivery of benefits across the whole corridor and that without them the full realisation of the regeneration of Bracknell Town Centre will not be achieved.

3.14 The wider programme of corridor enhancements is identified as the key driver for change, supporting the delivery of wider growth.

3.15 The range of other strategic scheme options that have been considered for the A322/A329 are set out, in broad terms, with the indication that large scale infrastructure delivery was not viable as an alternative solution to the more practical low-cost incremental solution adopted.

3.16 The initial concept options for Vigar Way Roundabout enhancements are outlined, with the final concept design presented. Whilst no specific options are described for the Sport Centre Gyratory scheme, the process by which the gyratory has been enhanced, in phases, since 2012 is set out.

3.17 The process by which the local scheme objectives were identified is set out, with two key objectives for the schemes established:

- reducing delays associated with traffic congestion and improve reliability of journey times
- maintaining and improving where feasible, the local transport network.
A limited number of measures for success are set out for each component part of the scheme based around improving the operations of each junction and reducing congestion and delays. Cross-reference is made to the Management Case where additional metrics are included.

The only constraint to delivering the scheme that is highlighted relates to the availability of LEP funding. The scheme is not considered by BFC to be interdependent upon any other factors. As both schemes are within the adopted highway there are no planning requirements and the utility diversion works have all been incorporated within the scheme.

Reference is made to stakeholders being engaged throughout the process of scheme development and that this will continue. This includes issues related to services and traffic management during construction.

Independent Assessor Comment

The Strategic Case sets out the broad alignment of the scheme to national, regional and local policy objectives, specifically in relation to the importance of strategic and local connectivity in supporting the local economy, raising levels of productivity, facilitating employment growth, and providing enhanced access to housing sites to support the delivery. There is clear demonstration of the role and importance of the A322/A329 corridor within a sub-regional context.

The problem identification section provides overarching evidence of congestion in the vicinity of the junctions for which the upgrades are proposed. This is supplemented with outputs from the LINSIG traffic model that demonstrates that both junctions are currently operating close to capacity and that the addition of future traffic growth will result in significant degeneration of the operational performance of both junctions. Some additional reference is made to demonstrate how these local delays affect more strategic movements along the A322/A329 corridor.

In the absence of a strategic traffic model, it is accepted that the problem identification analysis is limited in nature. It remains unclear which specific strategic movements are constrained by the capacity of these two junctions currently and how the delays at these junctions might compare to delays at other junctions across the corridor. However, there is sufficient evidence to demonstrate that they will contribute to delays in and around the A322/A329 corridor.

The impact of not changing section is relatively qualitative in nature, albeit reference is made to the LINSIG model outputs. The assessment is considered to highlight some key points, although the overall narrative would be strengthened with reference to specific examples of how the status quo would affect certain strategic traffic movements and economic activities.

Reference is made to the wider programme of enhancements along the A322/A329 corridor as a driver for change, and how this supports wider growth and economic activities across the corridor.

Reference is made to the alternative options considered as mechanisms to enhance strategic transport provision across the A322/A329 corridor. Ideally, specific reference could be made to individual studies or assessments conducted that led to the conclusion that the corridor wide improvement plan was the preferred approach.

The optioneering process is set out for Vigar Way Roundabout scheme, with a logical description of how the preferred scheme option was identified. There equivalent assessment for the Sports Centre Gyratory is not specifically an optioneering process, rather it demonstrates the incremental nature by which the junction has been developed. This provides useful underlying evidence to demonstrate the logic for the proposed
schemes, albeit, ideally, specific alternative options would have been considered and presented.

3.28 Two local scheme objectives are identified, with reference to how they were derived from the wider LTP3 objectives for BFC. The objectives are considered appropriate for the context of the schemes.

3.29 A suitable set of measures for success are outlined and, cross-referencing to the Management Case, it is clear that a specific metrics are established to demonstrate what would represent the successful delivery of each scheme.

3.30 The two scheme elements are relatively small infrastructure projects, with no land-take, and so the constraints and inter-dependencies are considered likely to be minimal.

3.31 Satisfactory reference is provided to stakeholders who have been engaged and the ongoing process that will be undertaken.

**Economic Case**

3.32 The Economic Case focuses upon the modelling approach applied within assessment and the subsequent economic appraisal process and results.

3.33 Overarching assumptions are set out, alongside the factors applied to estimate future year growth in traffic levels. This includes a high-level description of why it is considered unlikely that either scheme will result in strategic re-routing of traffic and, hence, why the modelling approach adopted is appropriate by the Applicant.

3.34 A description of the LINSIG models used to test the impact of both proposed schemes, at Vigar Way Roundabout and the Sports Centre Gyratory, is set out. This includes the survey data, parameters and assumptions are applied within the modelling process.

3.35 The 2019 base model outputs for each LINSIG model are presented, alongside some evidence of how well the Vigar Way model calibrates/validates.

3.36 The future year models incorporating the scheme proposals are described and then the outputs for the 2026 and 2036 models presented.

3.37 The economic model parameters are set out, including annualisation factors. These are applied to the outputs from the LINSIG models to provide assessment of 2026 and 2026 benefits of each of the two scheme elements.

3.38 The individual Present Value of Benefits for each scheme element is presented, as follows:

- Vigar Way PVB = £7.80 million
- Sports Centre PVB = £1.50 million

3.39 The scheme costs are presented for each element and are translated into individual Present Value of Costs, as follows:

- Vigar Way PVB = £1.35 million
- Sports Centre PVB = £0.45 million

3.40 The combined Benefit Cost Ratio for the scheme is estimated to be 5.18 to 1 representing the very high value for money category.

3.41 A description of sensitivity and risk is set out and the Appraisal Summary Table attached, along with the Value for Money Statement.
Independent Assessor Comment

3.42 The Economic Case provides a good overview of the modelling process and the underlying assumptions applied. The overarching approach to assessing the economic benefits is considered sound.

3.43 The use of individual LINSIG models for each junction, as opposed to a strategic traffic model, means there is no opportunity to test whether any notable strategic re-routing of trips occurs as a result of the additional capacity provided at the junctions. Whilst, ideally, this would have been assessed, the scale and location of the schemes would appear to be unlikely to generate significant re-routing of traffic. As such, the approach adopted by the Applicant is considered proportionate to the funding ask for the schemes.

3.44 The baseline LINSIG models are based upon 2019 traffic flow data, although not surveys of queues at junctions were undertaken at this time and the models rely on earlier surveys from 2018. Some comparisons are presented for Vigar Way between the 2018 and 2019 traffic flows that indicate that flows have decreased from 2018 to 2019. No specific reason is provided to explain why this change in flow might have occurred.

3.45 The Vigar Way LINSIG models tends to significantly under-predict queues on Peacock Lane (in comparison to the 2018 data) but over-predicts queues on Vigar Lane, particularly in the PM peak. The Applicant considers these issues, and recognises some limitations, but provides evidence that the characteristics of the model broadly represent the characteristics of the traffic flow data collected. Overall the Applicant concludes that the baseline model is sufficiently robust for the purposes of forecasting the impact of the scheme. Recognising the challenge presented by only having 2018 queue data for the junction, we consider that the LINSIG model provides an adequate tool with which to assess the performance of the scheme but that the limitations of the model should be taken into account when considering the forecast outputs.

3.46 The Vigar Way scheme appears to introduce additional delay and slow traffic in the AM and Inter-peak periods. This is not an unexpected consequence of introducing traffic signals in the Inter-peak (where the lower flows mean the current roundabout is operating efficiently) but we would have anticipated positive, rather than negative, overall impacts in the AM peak. The model clearly indicates there is significant delay by 2026 in the AM peak, but the proposed scheme design does not appear to assist in alleviating the delay and may, in fact, introduce marginally higher delays.

3.47 Most of the reduction in delay from the Vigar Way scheme occurs at the Vigar Way roundabout itself, in the PM peak. The model suggests that there is limited direct impact upon Jennett’s Park roundabout, albeit benefits are anticipated on the exit arm from Jennett’s Park roundabout leading to Vigar Way. It may be concluded that the scheme will not provide direct benefits to east-west movements along the A322/A329 but will benefit trips passing through the Vigar Way roundabout and travelling to/from the A322/A329 corridor, specifically in the PM Peak period.

3.48 The development of the Sports Centre Gyratory model is described, stating that industry-standard procedures have been followed. Whilst no calibration/validation data is presented to demonstrate how well the model reflects actual traffic conditions, the model development process is transparent. As with the Vigar Way LINSIG model, we consider that the Sports Centre Gyratory model to provide an adequate tool with which to assess the performance of the scheme but that the limitations of the model should be taken into account when considering the forecast outputs.

3.49 The impact of the proposed Sports Centre scheme appears relatively limited in 2026 and mainly in the PM peak. Whilst the benefits increase by 2036, they remain relatively small-scale in nature. Given the scale of the scheme, this is, perhaps, not surprising, but should
be taken into account when considering the strategic impact of the scheme upon the A322/A329 corridor.

3.50 The AM and PM peak annualisation factors applied vary, reflecting the different ratios of traffic between the peak hours and the 3-hour peak periods. The approach adopted is considered logical.

3.51 Due to the absence of a 2021 scheme opening year model, it is understood that no benefits are claimed from the scheme until 2026, but that the 60-year appraisal period applied from this point. This is considered to be an acceptable approach and is likely to underestimate the level of scheme benefits.

3.52 The economic benefits are clearly focused around the PM peak, with minor negative impacts in the AM and Inter-peaks at the Vigar Way junction, due to the introduction of traffic signals creating some additional delay from specific traffic movements.

3.53 The overall assessment of value for money demonstrates that the scheme is within the very high value for money category. In addition, both scheme elements represent at least high value for money. It can be seen that, even in the context of some of the uncertainties around the traffic modelling (as highlighted above), the scheme would still deliver high value for money if it only delivered 40% of the journey time saving benefits.

3.54 A sensitivity test is provided demonstrating the impact of applying standard annualization factors and shows that the benefits would be higher, although we would question the choice of annualisation factors applied. No high or low growth sensitivity tests are shown but the scale of the benefits mean that we are comfortable that a low growth scenario would still deliver a high or very high value for money outcome.

3.55 The Appraisal Summary Table provides an overview of the full range of potential economy, environmental, social and public account impacts. The assessment across the individual metrics is relatively limited, with positive impacts recorded for journey time improvements and journey time reliability for business, commuter and other road users.

3.56 There are anticipated to be no notable environmental impacts as the scheme is not forecast to increase traffic flows and the improvements are all, mostly, within the exiting junction footprints and highway boundary. This is considered to be a broadly acceptable position. Whilst we can’t be certain what impact the schemes will have upon re-routing of traffic, it is accepted that this is likely to be limited and so the impact upon noise, air quality, and emissions should be minimal.

3.57 No other notable social impacts are recorded, including accidents, which have not been assessed by the Applicant. Given that the schemes are not considered likely to increase traffic, this is a reasonable position. Furthermore, the signalisation of the Vigar Way junction is likely to improve safety, and so this could be considered an underestimate of a potentially positive impact.
Financial Case

3.58 The Financial Case provides details of the affordability of the proposed scheme and its funding arrangements.

3.59 The base cost for both scheme elements is presented as a combined total of £2,041,111, disaggregated into the following parts:

- Vigar Way Roundabout = £1,523,522 (2019 Quarter 3 prices)
- Sports Centre Gyratory = £517,658 (2019 Quarter 3 prices)

3.60 A breakdown of each scheme element is presented, including allowances for site clearance, enabling works, construction, signals, signing and road markings, drainage, traffic management, staff costs, preliminaries, and stats.

3.61 Separate allowances for inflation have been included to reflect the change in costs from 2019 Q3 to 2020/21.

3.62 Allowances are also made for risks and contingencies. For Vigar Way Roundabout, a value of £169,285 (12.7% of estimated scheme costs) has been added to the budget. For the Sport Centre Gyratory, a value of £53,626 (11.7%) is applied.

3.63 The final scheme costs are presented, and the budget and funding sources are set out, as follows:

- LGF = £1.6m
- Council Capital Programme = £0.44m (this includes a developer contribution)
- Total = £2.04m

3.64 All of the expenditure is planned to take place in accounting year 2020/21.

3.65 Whole life costs for the scheme are anticipated to be minimal but any changes will be added to the maintenance inventory and funded by BFC’s maintenance budgets.

3.66 Confirmation of the availability of funds from BFC Capital Programme is provided.

Independent Assessor Comment

3.67 The overall Financial Case generally provides sufficient information to give confidence in the broad estimate of the scheme costs in relation to each of the two scheme elements.

3.68 The cost estimates have been estimated from the scheme concept designs and calculated using BFC Term Contract agreed schedule of rates. This is considered to provide a reasonable level of certainty. Cost inflation has also been taken into account.

3.69 Reasonable risk and contingency allowances are included for both scheme elements, of around 12%, although no details are presented as to how these values have been calculated.

3.70 In assessing the whole life cycle costs the schemes are not considered to materially affect on-going maintenance schedules, given each junction will broadly represent the same footprint. This is considered to be a reasonable assumption.

3.71 The budget requirements are set out and the spend profile is limited to a single accounting year of 2020/21. Supporting evidence is provided that the BFC contribution is secured within the BFC Capital Programme and that additional cost requirements will also be covered by this funding source.
Ref 2.37 A322 / A329 Improvements

Commercial Case

3.72 The Commercial Case provides evidence on the commercial viability and outlines the procurement strategy of the scheme.

3.73 No outputs-based specification is provided.

3.74 Due to the relatively small scale of the project, BFC intend to simplify the procurement process and utilise the Council’s Term Contractor.

3.75 The payment and charging mechanisms are referenced in relation to interactions with BLTB. This includes the opportunities to share in cost savings.

3.76 Risks associated with the scheme are stated as being straightforward and well-understood but are not specifically referenced within the FBC.

3.77 The contract length of the Council’s Term Framework is stated as 2025. Contract management processes are set out, highlighting responsibilities and protocols.

Independent Assessor Comment

3.78 The Commercial Case is relatively succinct but provides sufficient evidence to demonstrate that the procurement process is logical and sound.

3.79 Additional information could have been provided around the Council Term Contract to demonstrate it represented the most cost-effective approach to procurement and will deliver value for money; however, given the type and scale of schemes being delivered, it is considered likely to be the optimum solution.

3.80 There is reference to the sharing of financial risk between the term contractor and BFC, although this is not specifically listed within the section on risk allocation and transfer. Additional information could also have been referenced around the management of risks to demonstrate how this is being achieved. Again, the type and scale of the project is considered to be relatively standard in nature and so we recognise that there should be minimal risks to delivery.

3.81 The section on contact management provide useful assurance around the processes to be employed. There will be clear contractual requirements for the contractor to provide regularly updates to BFC on progress and the financial status of the project.

Management Case

3.82 The Management Case presents information on how the proposal will be delivered and managed.

3.83 A short description of BFC’s previous experience delivering transport schemes is provided.

3.84 It is stated the scheme is relatively free from dependencies, with the exception of utility diversions.

3.85 Key project roles are identified, alongside a wider description of the Steering group that would oversee the delivery and make key strategic decisions. Standard BFC governance procedures will apply to all aspects of Project Management.

3.86 A provisional Project Plan is summarised, indicating works would being in Summer/Autumn 2020 and be completed by Autumn 2021.

3.87 Project assurance and approvals would be the responsibility of the Steering Group Chair, supported by the Steering Group.
3.88 The Stakeholder Engagement process would follow a tried and trusted approach utilised by BFC. The core elements of this are set out.

3.89 An overview of the project reporting process is provided.

3.90 A description of how project risk will be managed is provided, including the development and maintenance of a risk register. There is no reference to a current version of the risk register.

3.91 The section on benefits realisation and monitoring provides an overview of the process and outlines key objectives, desired outcomes and goes on to specify defined targets.

Independent Assessor Comment

3.92 The Management Case sets out the necessary processes that will be in place to successfully manage the delivery of the project. Some additional detail could be included to provide greater assurance but, overall, it is considered satisfactory.

3.93 The introduction refers to sections on implementation of work streams, key issues for implementation, contract management, contingency plan, and options, but no details are subsequently provided around these topics. Given the type of scheme and the proposed delivery approach, we do not anticipate any specific issues relating to these topics.

3.94 Whilst there is a good range of projects presented to demonstrate evidence of similar projects, there is no reference to whether these were delivered successfully to time and budget or, if not, how the change management process was successfully delivered.

3.95 Reference is made to the risks associated with utility diversions, with an indication of how these risks will be managed through the early stages of the project. It is not explicitly clear how these risks have been taken into account in terms of the project programme and project costs, albeit we are aware that a notable contingency has been included within the budget for each scheme.

3.96 The project governance is sufficiently detailed, with reference to where the Council’s governance procedures are documented.

3.97 The information presented about the Project Plan is relatively high level, with limited milestones, but provides an overview of the timescales. It is understood that, whilst the project could be delivered in a shorter time period, the BFC has agreed to co-ordinate work with neighbouring Wokingham Borough Council to minimise overall network congestion. Therefore, whilst the works will continue beyond March 2021, there are logical reasons for this approach.

3.98 The assurance and approval plan, whilst brief, sets out the key issues, whilst the communications and stakeholder management process provides sufficient evidence of how this will be implemented. Evidence of project reporting is also considered sufficient.

3.99 The section on risk management is relatively high level but sets out the mechanisms to be put in place. It is not clear whether a risk register has already been completed and how this relates to risk and contingency values included within the Financial Case, albeit we are aware that a notable contingency has been included within the budget for each scheme.

3.100 The benefits realisation and monitoring section is reasonably detailed and clear targets have been established with which to evaluate the success of the schemes.
Summary and Conclusions

Summary

3.101 The review of the five cases has identified the following key points for consideration:

- The importance of the A322/A329 corridor as a strategic route is established within the Strategic Case, as it the underlying issues of congestion at each of the two junctions. The absence of any strategic modelling tools result is some disconnect between how the local congestion affects overall strategic movements across the corridor. It is clear that the schemes fit into a wider programme of enhancements, albeit the optioneering process for selecting the individual scheme types could be clearer.

- The overall Economic Case for the scheme appears strong with a ‘Very High’ value for money from the combined package of measures. Whilst there are some limitations with the assessment tools applied, the overall approach is generally sound. The FBC states that the schemes will not result in any significant re-routing of traffic and there is reasonable evidence to support this position, but it is not tested in a strategic traffic model.

All of the benefits appear to be associated with the PM peak period and there would appear to be the potential for the scheme to have some minor adverse impacts in the AM peak, as well as the inter-peak period. The impact of the Vigar Way scheme appears to be primarily confined to the junction itself, with limited impact on congestion at the adjacent Jennett’s Park junction, suggesting some limitations in the strategic impact of the scheme.

The assessment of environment and social impacts is limited but, given the scale of the scheme, is considered proportional. On the basis of the stated position that the junction improvements do not engender any re-routing of traffic, then the assessment that environmental and social impacts will be broadly neutral is considered reasonable.

- The overall Financial Case provides sufficient information to give confidence in the broad estimate of the scheme costs, and reasonably risk and contingency values have been included.

- The Commercial Case is succinct but reflects the relatively straightforward nature of the schemes and the existence of a Council Term Contract for delivering these types of projects in an effective and efficient manner.

- The Management Case is relatively high level but provides sufficient evidence to determine that the project will be delivered in an effective manner. Further information around the current assessment of risks would be beneficial, albeit a reasonable financial contingency is included within the project.

Conclusions

3.102 The Strategic Case demonstrates the scheme forms part of an on-going wider programme of enhancements to the A322/A329 corridor that aligns well with strategic priorities of the sub-region. The localised issues of congestion at the junctions is identified, albeit the potential impacts upon strategic movements along the corridor is absent due to limitations in the analysis tools available.

3.103 The traffic modelling work undertaken broadly follows standard industry practices but there are some limitations in the input data. This will affect the robustness of the outputs and this should be taken into consideration when reviewing the overall conclusions.
3.104 The outputs from the model indicates that the Vigar Way scheme element may only deliver benefits within the PM peak period, certainly within the short to medium term. The introduction of traffic signals could slow some traffic movements during the AM and Inter-Peak periods. The benefits are also broadly confined to the Vigar Way roundabout and is unlikely to significantly impact upon congestion for through trips on the A329 at the adjacent Jennett’s Park Roundabout.

3.105 The Sports Centre Gyratory scheme element is relatively small in nature but is forecast to deliver positive impacts.

3.106 The Financial Case is considered sound, with sufficient information presented and clear allowances for inflation, risk and contingency.

3.107 The Commercial and Management Cases are succinct but, given the scale of the scheme, are considered to provide sufficient assurance that the projects will be delivered effectively and efficiently.

3.108 It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. Whilst the impacts of the scheme at a strategic level may be limited, it still aligns well to strategic policy and will clearly deliver significant localised benefits during the PM peak period. The overall value for money for the scheme is very high and the deliverability of the scheme would appear to be relatively low risk. On this basis, we recommend the scheme for approval.
PART I

Item 8: Financial Approval 2.42 Wokingham: South Wokingham Distributor Road – Eastern Gateway

Purpose of Report

1. To consider giving financial approval to scheme 2.42 Wokingham: South Wokingham Distributor Road – Eastern Gateway.

2. This project is part of the South Wokingham Distributor Road. The Eastern Gateway scheme will comprise a single carriageway distributor road connecting Montague Park with Waterloo Road, including a new road bridge over the Waterloo rail line.

3. This scheme is funded via the Business Rates Retention Pilot (BRRP).

Recommendation

4. You are recommended to give scheme 2.42 Wokingham: South Wokingham Distributor Road – Eastern Gateway full financial approval in the sum of £5,000,000 in 2019/20 on the terms of the funding agreement set out at paragraph 11 step 5 below.

Other Implications

Financial

5. This report recommends that Wokingham Borough Council be authorised to draw down the capital sum £5,000,000 from the Local Transport Body funding for this scheme.

6. The funding agreement set out at paragraph 11 step 5 sets out the roles and responsibilities, reporting and auditing arrangements, timing and triggers for payments, contributions from other funders, consequences of delay, consequences of failure, claw back, and evaluation requirements at one and five years on.

Risk Management

7. The risk management arrangements already put in place by the Local Transport Body are as follows:
   - The Assurance Framework has been drafted following DfT guidance and has been approved by the DfT for use in allocating capital funds for transport schemes
   - Hatch Regeneris have been appointed as Independent Assessors and have provided a full written report (see Appendix 1) on the full business case for the scheme

1http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum
• The funding agreement set out at paragraph 11, step 5 makes clear that the financial risk associated with implementation of the scheme rests with the scheme promoter.

**Human Rights Act and Other Legal Implications**

8. The scheme promoter is a local authority and they have to act within the law. Wokingham Borough Council will provide legal support for the BLTB, should any questions arise.

**Supporting Information**

9. The scheme will be carried out for Wokingham Borough Council.

10. The full details of the scheme are available from the Wokingham Borough Council website. A summary of the key points is given below:

<table>
<thead>
<tr>
<th>Task</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>Via the Council’s Term Contractor</td>
</tr>
<tr>
<td>Contractor appointed</td>
<td>As above</td>
</tr>
<tr>
<td>Construction</td>
<td>November 2019</td>
</tr>
<tr>
<td>Open to public</td>
<td>November 2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funder</th>
<th>Cost (approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major scheme funding</td>
<td>Berkshire Local Transport Body</td>
<td>£5.0m</td>
</tr>
<tr>
<td>Section 106 agreements</td>
<td>Developers etc</td>
<td>£15.159m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£20.159m</strong></td>
</tr>
</tbody>
</table>

11. The table below sets out the details of this scheme’s compliance with steps 1-5 of paragraph 14 of Assurance Framework.

<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.42 South Wokingham Distributor Road – Eastern Gateway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1: Development of Scheme proposal; initial sifting, scoring and prioritisation leading to award of Programme Entry Status. (See paragraphs 11-13)</td>
<td>The scheme was originally developed by Wokingham Borough Council in response to the growth pressures along this corridor, and in particular to developments at the former TRL site and Broadmoor. The SEP assessment process was used and the scheme was given 27.5 points and ranked 5 of 7 schemes submitted in BRRP.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor</th>
<th>Raw score</th>
<th>Weighting</th>
<th>Weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>3</td>
<td>1.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Deliverability</td>
<td>3</td>
<td>2.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Economic Impact</td>
<td>3</td>
<td>4.0</td>
<td>12.0</td>
</tr>
<tr>
<td>TVB area coverage</td>
<td>2</td>
<td>1.5</td>
<td>3.0</td>
</tr>
<tr>
<td>Environment</td>
<td>1</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Social</td>
<td>3</td>
<td>0.5</td>
<td>1.5</td>
</tr>
</tbody>
</table>

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3 http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum
### Assurance Framework Check list

<table>
<thead>
<tr>
<th>2.42 South Wokingham Distributor Road – Eastern Gateway</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 2: Programme Entry: evolution of the scheme from outline proposal to full business case, external view on the business case, and independent assessment (See paragraphs 15 and 16)</td>
<td>27.5</td>
</tr>
</tbody>
</table>
| Programme Entry status was given by the BLTB on 31 January 2019. Progress reports were considered by the BLTB on 14 March 2019 and 18 July 2019.  
The Wokingham Borough website holds the latest details of the full business case, including the VfM statement certified by the senior responsible officer.  
Any comments or observations on the scheme received by either TVB LEP or Wokingham Borough Council have been fully considered during the development of the scheme.  
The report of the Independent Assessor is attached at Appendix 1. The Independent Assessor was asked to report as follows:  
• Completeness – has the promoter prepared a complete Full Business Case submission, when judged against the prevailing advice from the DfT  
• Accuracy – has the promoter performed the relevant calculations and assessments accurately and without error  
• Relevance – has the Full Business Case considered all relevant matters, including use of appropriate forecasting models and planning assumptions, and has it included any irrelevant considerations such unduly-optimistic assumptions or out of date modelling data  
• Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance  
• Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme.  
• Remedies – where the independent assessment reveals a gap between the FBC supplied and the standard anticipated by the DfT guidance, then the advice for the LTB should include recommendations for remedial actions required – e.g., collection of further data, sensitivity tests on particular assumptions etc. |        |
| Step 3: Conditional Approval | The Independent Assessor has recommended that in this case Full Financial Approval is appropriate. |
| Step 4: Recommendation of Financial Approval | The scheme has a Benefit-Cost Ratio (BCR) of 3.12:1 |
| - High Value for Money | DfT has set thresholds of 2.00 (High VfM) and 4.00 (Very High VfM) and schemes with BCRs above these thresholds can described as having High or Very High Value for Money. |
| - Support of the | |

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6 [http://www.slough.gov.uk/moderngov/documents/s56505/Item%206%20Appendix%201%20Composite%20scheme%20reports%2010%20July%202019.pdf](http://www.slough.gov.uk/moderngov/documents/s56505/Item%206%20Appendix%201%20Composite%20scheme%20reports%2010%20July%202019.pdf)  

Item 8: BLTB 14 November 2019 Financial Approval Wokingham 2.42 South Wokingham Distributor Road: Eastern Gateway

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<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.42 South Wokingham Distributor Road – Eastern Gateway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent assessor</td>
<td></td>
</tr>
<tr>
<td>Step 5: Formal Agreement</td>
<td></td>
</tr>
<tr>
<td>- roles</td>
<td></td>
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<tr>
<td>- responsibilities</td>
<td></td>
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<tr>
<td>- implementation</td>
<td></td>
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<tr>
<td>- reporting</td>
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<td>- auditing</td>
<td></td>
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<tr>
<td>- timing and triggers for payments,</td>
<td></td>
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<tr>
<td>- contributions from other funders,</td>
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<td>- consequences of delay,</td>
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<td>- consequences of failure,</td>
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<tr>
<td>- claw back,</td>
<td></td>
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<tr>
<td>- evaluation one and five years on</td>
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<tr>
<td>The capital grant of £5,000,000 is a maximum figure which cannot be increased, but may be reduced if savings are achieved during implementation. In the event that Wokingham Borough Council wishes to alter the profile of the grant payments, it must seek prior written permission from TVB LEP, having first raised the matter with the BLTB. The grant is made subject to the following:</td>
<td></td>
</tr>
<tr>
<td>1. Roles: TVB LEP is a part funder of the scheme. Wokingham Borough Council is the scheme promoter, and is the relevant highway and planning authority.</td>
<td></td>
</tr>
<tr>
<td>2. Responsibilities: TVB LEP is responsible for allocating the capital finance in accordance with its Assurance Framework. Wokingham Borough Council is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, any other statutory duties, and any financial or other liabilities arising from the scheme.</td>
<td></td>
</tr>
<tr>
<td>3. Implementation: In addition to any reporting requirements within Wokingham Borough Council, the scheme promoter will use the proforma supplied by TVB LEP to make reports on progress of the implementation of the capital scheme to each meeting of the BLTB until the build is complete. In particular, Wokingham Borough Council will report on any change in the size, scope or specification of the scheme; and on any substantial savings against the scheme budget whether achieved by such changes to the size, scope or specification of the scheme, or through procurement, or through the efficient implementation of the scheme.</td>
<td></td>
</tr>
<tr>
<td>4. Reporting: The scheme promoter must provide accurate, timely, verified and quality assured quarterly monitoring and forecast data, which relate to defined output and outcome indicators agreed with TVB LEP. This scheme will not be required to participate in an evaluation as set out in the Growth Deal Monitoring and Evaluation Plan.</td>
<td></td>
</tr>
<tr>
<td>5. Auditing: Wokingham Borough Council will keep financial records such that the expenditure on the scheme is readily identifiable, and if and when BEIS, DfT or other government department or the accountable body for TVB LEP requests access to financial or other records for the purposes of an audit of the accounts, Wokingham Borough Council will co-operate fully.</td>
<td></td>
</tr>
<tr>
<td>6. Timing and Triggers for payments: See the Claim Proforma at Appendix 1 – available on request.</td>
<td></td>
</tr>
</tbody>
</table>
Contributions from Other Funders: there will be £15,159,263 of s.106 contributions secured by Wokingham Borough Council (£29,000 in 2017/18; £1,509,999 in 2018/19; £2,866,665 in 2019/20; £9,753,599 in 2020/21; and £1,000,000 in 2021/22. In the event that the scheme experiences a shortfall in these contributions, Wokingham Borough Council will be required to notify TVB LEP of these developments. The provisions of clauses 8, Consequences of Delay; 9, Consequences of Change to the Design or Specification of the Scheme; or 10, Consequences of Failure will then be applied.

Consequences of Delay: In the event that the scheme experiences minor delays to its overall Business Case programme (no more than 10 weeks), Wokingham Borough Council will report these delays and the reasons for them, and the proposed remedial action to the next available meeting of the BLTB. In the event that the scheme experiences major delays to its overall Business Case programme (11 weeks or longer) Wokingham Borough Council will be required to seek permission from TVB LEP to reschedule any payments that are due, or may be delayed in falling due because of the delay to the overall Business Case programme.

Consequences of Change to the Design or Specification of the Scheme: In the event that Wokingham Borough Council wishes to change the design or specification of the scheme such the scheme delivered will vary in any material aspect from the description given in the overall business case, Wokingham Borough Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Wokingham Borough Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme.

Consequences of Failure: As soon as it becomes apparent to Wokingham Borough Council that it will not be possible to deliver the scheme, written notice shall be given to the accountable body for TVB LEP. No further monies will be paid to Wokingham Borough Council after this point. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme.

Claw back: If the overall scheme achieves savings against budget, these savings will be shared by TVB LEP and the other funders noted above in proportion to the amounts set out in the Financial Profile. The accountable body for TVB LEP reserves the right to claw back any amounts of grant that have been spent on purposes other than the scheme as approved and any
<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>repayments due as a consequence of changes to the design or specification of the scheme or scheme failure.</td>
</tr>
<tr>
<td>12.</td>
<td><strong>Evaluation One and Five Years On:</strong> Wokingham Borough Council will produce scheme evaluations One and Five years after practical completion that comply with DfT guidance.</td>
</tr>
<tr>
<td>13.</td>
<td><strong>Other Conditions of Funds:</strong> Wokingham Borough Council will acknowledge the financial contribution made to this scheme through Business Rates Retention Pilot funds. It will also give due regard to the Equality Act 2010 - Public Sector and with the Public Services (Social Value Act) 2012, particularly through the employment of apprentices across the scheme supply chain.</td>
</tr>
</tbody>
</table>

**Conclusion**

12. It is the conclusion of the Independent Assessor that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and will mitigate the necessary closure of the Waterloo Road level crossing. In addition, the scheme will directly ‘unlock’ the delivery of 630 homes within the South Wokingham SDL, whilst subsequently facilitating the wider development. The overall adjusted forecast of monetised costs and benefits indicates the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability. On this basis, we recommend the scheme for approval.

**Background Papers**

13. The LTB and SEP scoring exercise papers are available on request.
# Contents Page

## Executive Summary
- Scheme Summary  
- Review Findings

## 1. Introduction
- Submitted Information  
- Report Structure

## 2. Appraisal Specification
- Overview  
- Initial Approach  
- Revised Approach  
- Assessor Review

## 3. Full Business Case
- Overview  
- Key Input Assumption and Parameters  
- Strategic Case  
- Economic Case  
- Financial Case  
- Commercial Case  
- Management Case  
- Summary and Conclusions
Executive Summary

i. This technical note provides an independent assessment of the Eastern Gateway scheme Business Case submission to the Thames Valley Berkshire Local Enterprise Partnership (TVB LEP).

Scheme Summary

ii. The business case submission sets out the case for investment for the delivery of the Eastern Gateway in Wokingham. Eastern Gateway is Phase 2 of the South Wokingham Distributor Road (SWDR) Project. The Eastern Gateway provides a link from Phase 1 (Montague Park and William Heelas Way), over the Reading to Waterloo Rail Line and south to Waterloo Road, where it will eventually connect with Phase 3 (Spine Road) running west across toward Finchampstead Road.

iii. The Eastern Gateway comprises:
   - A bridge over the Reading to Waterloo Rail Line;
   - A new 4-arm roundabout junction with Waterloo Road, with provision for the future Spine Road; and
   - Closure of the Waterloo Road automatic half barrier level crossing.

iv. The overall scheme cost is estimated to be just over £20 million, with £5 million sought from the TVB LEP Business Rates Retention Pilot Fund.

Review Findings

Conclusions

v. The Strategic Case demonstrates alignment with strategic priorities to support growth across the area. The need for infrastructure provision to unlock development within the South Wokingham Strategic Development Land (SDL) is clearly established.

vi. The Economic Case provides a robust assessment of the costs and benefits associated with the scheme. With the inclusion of the uplift in land value from the unlocked development lands, the overall case for investment is considered to be ‘High’.

vii. The Financial Case demonstrates that the costs of the scheme are well-developed and appropriate levels of contingency and risk allowance are included.

viii. The Commercial and Management Cases are considered to be relatively succinct but compliant with requirements. They provide sufficient evidence to demonstrate that the procurement approaches offer value for money and that there are robust measures in place to manage the delivery of the project.

ix. It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and will mitigate the necessary closure of the Waterloo Road level crossing. In addition, the scheme will directly ‘unlock’ the delivery of 630 homes within the South Wokingham SDL, whilst subsequently facilitating the wider development. The overall adjusted forecast of monetised costs and benefits indicates the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability.
Recommendations

On the basis that it aligns well with strategic priorities, addresses a clear need for intervention, supports the direct delivery of development, is forecast to deliver high value for money, and is deliverable, we recommend this scheme for approval.
1. Introduction

1.1 This report provides an independent assessment of the Full Business Case (FBC) submitted by Wokingham Borough Council (WBC) for the delivery of the Eastern Gateway.

1.2 The report considers the evidence presented and whether it represents a robust case for the investment of Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) growth deal funds.

1.3 The independent assessment has applied criteria from TVB LEP assurance framework and the requirements for transport scheme business cases set out within the Department for Transports (DfT) Transport Analysis Guidance (TAG).

Submitted Information

1.4 The independent assessment process for the Eastern Gateway submission has been conducted on the following set of documentation submitted by WBC and their consultant team (WSP):

- An Early Submission Full Business Case Report (3rd July 2019)
- Full Business Case Report (24th October 2019)

1.5 The Early Submission FBC was completed in advance of the July BLT Board meeting but it was concluded that insufficient analysis had been completed at this time to enable the scheme to be considered at this meeting.

1.6 Whilst no formal Option Appraisal Report or Appraisal Specification Report were submitted for this project, a number of meetings have taken place with WBC, and their consultants, between June 2019 and September 2019 in which the appraisal specification has been discuss and agreed, alongside the broader requirements of the final business case submission and comment upon the acceptability of input assumptions and parameters.

Report Structure

1.7 This Independent Assessors Report responds to the formal submission of documentation, as well as the informal engagement process with WBC and their consultants, to provide a review of information provided, assess it suitability and robustness against TVB LEPs assurance requirements, and provide recommendations in relation to the approval of LEP funding for the proposed scheme.

1.8 The report is structure as follows:

- **Section 2: Appraisal Specification** – presents a high-level review of the process undertaken to agree the proposed appraisal approach to be adopted

- **Section 3: Full Business Case Submission** – presents an initial summary of scheme elements included business case submission, alongside the details presented within each of the five ‘cases’ (Strategic, Economic, Financial, Commercial, Management). It also sets out the recommendations to the LEP Local Transport Body relating to the suitability of the scheme for funding.
2. Appraisal Specification

Overview

2.1 No formal Appraisal Specification Report has been submitted for this project; however, the approach to the business case has been discussed, in detail, between WBC, their consultants, TVB LEP, and Hatch Regeneris, including at a meeting held on 1st August 2019.

2.2 The approach to the assessment has evolved between the Early Submission FBC in July and the subsequent development of the Final FBC, based on feedback provided by Hatch Regeneris. This is briefly outlined below.

Initial Approach

2.3 The Early Submission FBC submitted in July was based around Eastern Gateway forming part of a completed South Wokingham Distributor Road (SWDR). As such, the traffic modelling work supporting the business case incorporated the full SWDR to demonstrate the impacts and the development land “unlocked” by the full scheme.

2.4 Upon detailed discussions, it was agreed that, whilst the Spine Road and Western Gateway are committed schemes, have not currently been granted planning permission and is developer-led. There is, therefore, the potential (albeit highly unlikely) that the Eastern Gateway could be delivered, and the Spine Road and Western Gateway may not come forward, or at least not for a delayed period of time. Given this uncertainty, it was concluded that the Eastern Gateway scheme should be assessed as a standalone scheme and not as part of a wider SWDR package.

Revised Approach

2.5 The revised approach adopted within the Final FBC is to assess the impact of the Eastern Gateway as a standalone scheme. This means that it would provide a highway connection over the Reading to Waterloo Rail Line from William Heelas Way to Waterloo Road, but there would be no SWDR Spine Road providing a further connection across to Finchampstead Road. The traffic impacts of the scheme will be modelled on this basis, using the Wokingham Strategic Transport Model 4.

2.6 In addition, it was agreed that the standalone Eastern Gateway scheme will “unlock” some additional development opportunities to the south of the Reading to Waterloo Rail Line. The Final FBC will, therefore, demonstrate the dependency of these development sites upon the additional highway capacity provided by Eastern Gateway. The associated uplift in land value for “unlocking” these sites, as measured by MHCLG guidance, will be captured as an economic benefit of the scheme.

2.7 All other impacts for the scheme, in terms of the economy, environment, society, as well as Public Accounts, will be measured according to DfT TAG requirements for a highway scheme of this type.

Assessor Review

2.8 The revised approach, agreed at the meeting on 1st August 2019, is considered to be appropriate for the scheme, given the wider context of the delivery of the SWDR project.
3. Full Business Case

Overview

3.1 The full business case submission sets out the case for investment for the delivery of the Eastern Gateway in Wokingham. Eastern Gateway is Phase 2 of the South Wokingham Distributor Road (SWDR) Project.

3.2 The Eastern Gateway provides a link from Phase 1 (Montague Park and William Heelas Way), over the Reading to Waterloo Rail Line and south to Waterloo Road, where it will eventually connect with Phase 3 (Spine Road) running west across toward Finchampstead Road.

3.3 The Eastern Gateway comprises:
- A bridge over the Reading to Waterloo Rail Line;
- A new 4-arm roundabout junction with Waterloo Road, with provision for the future Spine Road; and
- Closure of the Waterloo Road automatic half barrier level crossing.

3.4 The Waterloo Road automatic half barrier level crossing currently provides north-south vehicular connectivity across the Reading to Waterloo Rail Line. Network Rail has indicated the imminent requirement to close this crossing due to concerns around safety with this type of half barrier crossing. Network Rail are also highly likely to object to any development to the south of the rail line that could increase traffic flows across the level crossing.

Key Input Assumption and Parameters

3.5 The overarching business case is based upon a range of key assumptions, as follows:
- Phases 3 (Spine Road) and 4 (Western Gateway) of the SWDR are not included as committed schemes within the assessment
- The Eastern Gateway provides access to three parcels of South Wokingham’s Strategic Development Land, referenced SB, SC and SF, that would otherwise not be developable without the road.
- Total dependent development equates to 630 dwellings, which would be delivered between 2021 and 2026.
- Annualisation factors:
  - 253 days per year
  - Model period factoring: AM Peak = 2.62, Inter-Peak = 6.00 PM Peak = 2.75
  - Overall: AM Peak = 662 hrs, Inter-peak = 1,518, PM Peak = 696 hrs
- 60-year benefits appraisal period
- Costs and benefits discounted to 2010 prices
- 3% optimism bias applied
- Land value estimates taken from Ministry of Housing, Communities and Local Government (MHCLG): ‘Land Value Estimates for Policy Appraisal (May 2017)’
  - Agricultural land value (TVB LEP) = £22,500/ha
  - Residential land value (South East – Wokingham) = £5,325,000/ha
Independent Assessor Comment

3.6 The assumptions set out in relation to Phases 3 and 4 of the SWDR were discussed, and agreed, in advance of the business case development and reporting process.

3.7 Sufficient evidence is presented within the business case to demonstrate that the need for the Eastern Gateway to ‘unlock’ the three parcels of SW SDL referenced SB, SC and SF (accounting for 630 dwellings) and that, without this provision, these developments would not proceed.

3.8 The annualisation factors, the appraisal period and the discount period are all acceptable.

3.9 The level of optimism bias is low but reflects the fact that the scheme has undergone detailed design and so cost estimates are considered to be highly accurate.

3.10 Use of the MHCLG land values is considered appropriate.

Strategic Case

3.11 The Strategic Case provides an overview of the areas and a scheme description, in particular highlighting the overall SWDR project, the Eastern Gateways part within it, and the phases of the SWDR, as well as the South Wokingham SDL.

3.12 It provides an assessment of policies and strategies for Thames Valley Berkshire LEP, as set out within the Strategic Economic Plan, as well as National Planning Policy Framework, and Wokingham’s Core Strategy Development Plan and Local Transport Plan. The objective assessment of housing need for the area is also set out.

3.13 The need for the SDWR as a whole, but specifically the Eastern Gateway, in this location is set out, highlighting the dependency of the South Wokingham SDL upon these links. It also describes the on-going operation of the Waterloo Road automatic half barrier level crossing and Network Rail’s concerns over safety. It highlights that, nationally, the Office for Rail and Road have challenged Network Rail to remove these types of crossing, through either upgrades or closure. Network Rail are resolved to close the Waterloo Road level crossing, which would significant impact upon accessibility from Wokingham to the south of the Reading to Waterloo Rail Line.

3.14 The wider aspirations for delivering housing growth through the provision of the SWDR, and Eastern Gateway, are clearly stated, including the fact that the Eastern Gateway has already received planning permission, demonstrating the principle and local of the scheme have been tested.

3.15 The scheme has seven overarching scheme objectives, summarised below:

- Support the 2026 Local Plan housing delivery in the Borough
- Facilitate the SW SDL housing development (2500 dwelling units in total)
- Replace the existing Waterloo Road level crossing
- Relieve traffic using residential roads as rat runs to the north (leading to the A329) such as Priest Avenue.
- Encourage sustainable and active transport by providing extensive pedestrian and cyclist facilities
- Minimise the impact of the increase in traffic generated by the SW SDL on nearby residential roads
- Allow future residents of the SW SDL to travel to major and growing employment areas leading to the growth of the local economy
3.16 In relation to the **options considered**, reference is provided to the extension master planning process that has been undertaken for the Wokingham SDL and SWDR. An Options Appraisal Report was produced in 2014 for the SDWR as a whole considering alternative routes, with a technical recommendation made for Option B to be taken forward. This was given approval by the WBC Executive Board in Late 2014. Within the conceptual design process, different locations were considered for the railway crossing. The preferred alignment was identified as it crosses the rail line on a sag curve, providing a technically optimum solution. In May 2015 the WBC Executive approved plans for the Eastern Gateway to be progressed in advance of the full SWDR.

3.17 Two main **measures for success** for the Eastern Gateway scheme (being delivered in isolation from the rest of the Spine Road) are set out based around the facilitation of SW SDL housing development and enabling the closure of the Waterloo Road level crossing facility.

3.18 The **constraints** of the scheme are considered to be relatively limited as the scheme is well developed. Phase 1 (William Heelas Way) is complete and open to traffic. Agreements have been reached with Network Rail over shared value rights and the stopping up order for the level crossing has been signed by the Secretary of State. Planning consent was granted in April 2018. The land owner has agreed to provide their land for development and the scheme is included within the NEC 3 Scape Procure contract that has been awarded to Balfour Beatty.

3.19 The scheme remains **inter-dependant** with the remainder of the SWDR to deliver the maximum benefits, in terms of congestion relief and access to the SW SDL. There are currently three planning application submitted for development of the SW SDL and a planning application for the SWDR Spine Road is due to be submitted in late 2019.

3.20 An initial overview of the **transport modelling** approach, utilising the Wokingham Strategic Transport Model 4, is set out. It reiterates that, in all modelled scenarios, phases 3 and 4 of the SWDR are not included. It provides reference to the dependant development model tests, required by DfT TAG, to demonstrate the need for additional highway capacity to enable development within the SW SDL to progress. This concludes that land parcels SB, SC and SF are all dependant upon the Eastern Gateway being delivered. The impact of closing the Waterloo Road level crossing and introducing the Eastern Gateway upon underlying traffic movements is set out. This demonstrates some local re-routing (as would be anticipated with the closure of Waterloo Road level crossing) but limited strategic re-routing e.g. from the A329.

3.21 A list of the key **stakeholders** for the project are set out, with reference of support from Network Rail and SW SDL developers.

3.22 An overall **summary** of the scheme is provided, setting out the strategic alignment, the dependent development, and the deliverability of the scheme. It recognises the important inter-dependency with Phases 3 and 4 of the SWDR but that the Eastern Gateway is a vital link in itself, not least due to the requirement to close the Waterloo Road level crossing.

**Independent Assessor Comment**

3.23 The Strategic Case provides a clear overview of the role of the Eastern Gateway within the wider SWDR and the SW SDL. It sets out the alignment of the scheme to national, regional and local policy objectives, specifically in relation to providing direct and indirect access to housing sites, and providing the transport capacity to enable, or support, their delivery.

3.24 The need for the scheme is established, specifically in relation to the requirement to close the Waterloo Road level crossing but also to unlock specific land parcels within the SW SDL, and facilitate longer term access to the full SDL, via the SWDR. The impacts of not
providing the scheme, relate to the imminent requirement for closure of the Waterloo Road level crossing and the impact this would have upon local access. The inability to open up the SW SDL would also significantly constrained housing delivery across the borough.

3.25 The **scheme objectives** are clearly set out and relate to the underlying need for the scheme.

3.26 A significant amount of **scheme optioneering** has clearly been undertaken as part of the wider SW SDL and SWDR master planning exercise. The alignment of the overall SWDR, and specifically the Eastern Gateway, has been subject to rigorous technical examination.

3.27 The **measures of success** focus specifically on two elements of the scheme objectives, as opposed to all seven. It is recognised that the selected two are clearly of greater significant to the scheme, but wider measures of success could also be considered.

3.28 There is clear demonstration within the Strategic Case that the scheme is well progressed and that, as such, a number of potential **constraints** have already been overcome, including agreements with Network Rail, land owners, and planning consent.

3.29 The **inter-dependency** with the wider SWDR and the SW SDL is clear, but the case for the Eastern Gateway as a standalone scheme is well-presented, and so the additional benefits that could be derived through the delivery of these other scheme elements are additive and not required to justify investment in this phase of works.

3.30 There is no specific **scope of works** presented, although a summary of the scheme elements is presented within an introductory section.

3.31 The description of the **modelling approach** provides evidence that the Eastern Gateway scheme has been appraised in isolation from the wider SWDR, as required. The specific dependency of SDL site is also demonstrated. The modelling outputs demonstrates that, as a standalone scheme, the Eastern Gateway primary role is to unlock this development, as opposed to providing wider network management benefits.

3.32 Evidence is provided of engagement with **key stakeholders** throughout the scheme development process and the resolution of differences.

3.33 Overall, the Strategic Case provides clear evidence that the scheme aligns with strategic priorities, that it delivers a specific need for the replacement of the imminent closure of the Waterloo Road level crossing, and that it specifically "unlocks" three parcels of land within the SW SDL.

### Economic Case

3.34 The Economic Case sets out the **modelling approach** applied within assessment. It describes the Wokingham Strategic Transport Model 4 (WSTM4), based on VISUM 17, and reported within a local model validation report from May 2018. The parameters and assumptions applied within the modelling process are set out.

3.35 A discussion of **dependent development** related to the scheme is set out, highlighting the parcels of SW SDL that have been identified as dependent upon the Eastern Gateway, and presenting the associated level of housing development (630 dwellings).

3.36 The **scenarios appraised** are set out in accordance with the requirement for assessing transport user benefit and transport external costs. This includes:

- Do Minimum (Reference Case, including William Heelas Way and the 1,650 dwellings delivered in Montague Park)
- Do Something 1 (with Eastern Gateway scheme and closure of Waterloo Road level crossing, but excluding SW SDL developments SB, SC, and SF)
Do Something 2 (with Eastern Gateway scheme and closure of Waterloo Road level crossing, with SW SDL developments SB, SC, and SF equating to 630 dwellings)

3.37 All three scenarios exclude SWDR Phases 3 and 4 (Spine Road and Western Gateway)

3.38 The monetised scheme benefits are initially set out in terms of the direct transport impact through accident savings and transport user benefits. The associated present value of benefits (£6.7m) and costs (£13.8m) is presented, generating a Benefit Cost Ratio (BCR) of 0.48 to 1.

3.39 The impacts related to dependant development are then set out in relation to transport external costs, and the land value uplift and any loss in amenity value from unlocking SW SDL sites SB, SC, and SF. The transport external costs (the impact of additional development traffic upon general congestion) is estimated at -£18.0m. The assessment of land value uplift takes into account the current and future value of the land, along with issues of deadweight, leakage and displacement. The net uplift in land value from unlocking sites SB, SC and SF is estimate as £58.8m. The loss of amenity value from the loss of green space is estimated at -£4.7m. An adjust Benefit Cost Ratio incorporating dependant development value is calculated at 3.12 to 1.

3.40 An assessment of the environmental impacts is presented showing a summary of the scheme’s potential impacts and conclusions for each of the following impact areas:

- Air quality;
- Noise and Vibration;
- Nature Conservation;
- Cultural Heritage;
- Drainage and Water Environment; and
- Geology and Soils.

3.41 An assessment of the social impacts is presented showing a summary of the scheme’s potential impacts and conclusions for each of the following impact areas:

- Accidents;
- Physical Activity;
- Security;
- Severance;
- Journey quality;
- Option and non-use values;
- Accessibility; and
- Personal Affordability.

3.42 The distributional impacts of the scheme are considered in detail with the range of economic, environmental and social impacts considered for the following social groups:

- Income distribution;
- Children;
- Young Adults;
- Older People;
- Disabled;
- Black and minority ethnic groups;
- Those without access to a car; and
- Carers.
3.43 **Sensitivity tests** are presented for high and low growth scenarios considering just the direct transport user benefits of the scheme upon existing road users. These indicate potential for significant variation in the level of benefits generated, with the 'low growth' scenario generating negative impacts.

3.44 An **Appraisal Summary Table** is attached that sets out the wider assessment of impacts against all economic, environmental, and social criteria.

3.45 A value for money statement outlines that the direct transport impacts of the scheme generate a **benefit cost ratio** of 0.47, representing low value for money. When the land value uplift, amenity value, and transport external cost are added in this increases it into the 'high' value for money category.

### Independent Assessor Comment

3.46 The Economic Case provides a good overview of the WSTM4 model and the underlying assumptions applied. This modelling tool is considered to be sufficiently robust to appraise the scheme.

3.47 The assessment of **dependent development** is considered to be robust and there is clear evidence that the Eastern gateway scheme will “unlock” the specified three SW SDL sites, accounting for 630 dwellings.

3.48 The **scenarios to be appraised** are consistent with the requirements of DfT TAG and reflect the agreed assessment of the Eastern Gateway in isolation from the subsequent Phase 3 and 4 (Spine road and Western Gateway) of the SWDR.

3.49 The assessment of **accident savings** resulting from the scheme measures is considered robust and the outputs from the COBALT model provided.

3.50 The approach to assessing both the **transport user benefits**, and the subsequent **transport external cost**, utilising TUBA, is considered robust. The transport user benefit outputs indicate the scheme will deliver overall travel time savings for existing road users but that some individuals will travel marginally longer distances and so incurring additional vehicle operating costs. The overall ratio of the scheme costs to direct transport user benefits indicates that this scheme does not represent value for money from investment solely as a transport link and that it is the development opportunities that it “unlocks” that will generate greater economic value.

3.51 The approach to estimating the **land value uplift** of the three SW SDL sites is considered sound. Due consideration is given to issues of additionality, with 25% ‘displacement’ adjustment (an assessment of the amount of development that may have been displaced from being delivered in the same timeframe elsewhere in the borough). ‘Deadweight’ (any small-scale development that could have taken place on the site without the scheme), and ‘leakage’ (the extent to which the economic benefits “leak out” of the target area into surrounding areas) were stated to be zero. Whilst some small-scale development could physically take place, it is likely to be extremely limited due to the presence of the Waterloo Road level crossing and for which Network Rail would object to any potential increase in traffic flows on grounds of safety.

3.52 The assessment of loss of **amenity value** is also considered to be sound and, alongside the net land value uplift and transport external costs, provides an overall economic impact of dependent development of £36.3m. This value is nearly six-fold the value of the direct transport benefits of the scheme and reiterate the importance of unlocking housing development in making the case for investment in the Eastern Gateway scheme.

3.53 The **environmental assessment** is based primarily around information provided within the Environmental Statement for the scheme, published in 2017 as part of the planning
application. It highlights a range of potential impacts affecting air quality and noise & vibration for some key receptors, but that any negative impacts will be small, and that in most cases mitigation measures can be introduced to reduce the impacts.

3.54 There are no direct impacts from the scheme upon designated conservation sites and whilst some bird and bat species could have reduced habitat during the construction phase of the scheme, this will all be re-introduced during the operational phase. Parts of the scheme lie within an Area of High Archaeological Potential, with the potential for some minor negative impacts. There are no designated heritage assets affected by the scheme. There are potential impacts upon sensitive drainage and water environment receptors, but mitigation measures should ensure the overall impact becomes negligible. There are anticipated to be significant visual affects on the landscape during construction and during the early years of operation, prior to the establishment of woodland and hedgerows. The longer-term impacts would be significantly reduced. The risk of soil contamination from the scheme is considered very low.

3.55 Overall, whilst the scheme will clearly have a range of impacts upon the local environment, particularly during the construction phase, the range of proposed mitigation measures should ensure that the impacts will be minimal over the longer term.

3.56 The assessment of social impacts identifies that the scheme should provide an overall net benefit in terms of general accident savings. Due to the closure of the Waterloo road level crossing, the accident safety benefits are likely to be significantly higher. The scheme is not anticipated to impact upon physical activity, security, option values, or accessibility, and the net impact upon severance (with the closure of Waterloo Road level crossing and opening of Eastern Gateway) is considered neutral. The scheme is anticipated to have marginal positive benefits on journey quality. Overall the assessment of these impacts is considered to be robust.

3.57 The three-stage assessment of distributional impacts is considered in-depth and robust. It indicates that the scheme should have no notable impacts upon any single user group in relation to noise, air quality, accidents, and severance. The assessment of user benefits suggests the scheme has no impact upon resident within the lowest quintile areas of income deprivation (most deprived), but that it has negative impacts for those within the 2nd lowest and 2nd highest quintiles. The benefits of the scheme are derived from residents within the middle and highest income quintiles. The scheme is also considered to have the greatest negative impact upon affordability for the 2nd, 3rd and 4th quintile groups.

3.58 The outputs from the sensitivity testing indicate that the level of background growth of traffic have a significant impact upon the direct transport user benefits generated from the scheme. Effectively, when the highway network is less congested, the closure of the Waterloo Road level crossing and opening of Eastern Gateway will create travel time disbenefits, due to the extra travel distance. When levels of congestion across the network increase, then the scheme starts to provide additional congestion relief benefits, and these then outweigh the negative diversionary impacts.

3.59 This means that, based on current (2019) traffic flows, the closure of the Waterloo Road level crossing and opening of Eastern Gateway is likely to have an overall negative impact upon existing travel time. But, as the underlying level of traffic increases, and there becomes more congestion on the network as a whole, the Eastern Gateway provide significant benefits to general traffic movements across the network.

3.60 The Value for Money Statement demonstrates that the Eastern Gateway can be considered to offer high value for money when the direct land unlocked for development is taken into consideration. The wider impacts from facilitating the future delivery of the wider SW SDL, with a further 1,850 homes, demonstrates further potential value from the investment.
Financial Case

3.61 The Financial Case provides in detail the estimated funding and cost profile and breakdown of the scheme.

3.62 A full cost profile covering the period between 2018/19 to 2021/22 is provided. The subtotal of costs equates to £16.1m, with additional allowance for cost inflation of £1.6m and quantified risk of £2.4m.

3.63 The scheme has been developed to detailed design level, with early contractor involvement and initial site investigations completed. The cost estimates are, therefore, considered to be robust.

3.64 The quantified risk value has been developed through a detailed quantified risk assessment, which is attached to the FBC submission.

3.65 The total funding request is for £20.402m and covers the period between 2016/17 to 2020/21. A breakdown of funding sources:

- Business Rates Retention Pilot = £5,000,000
- Council Capital Programme = £20,159,264

Independent Assessor Comment

3.66 The overall Financial Case provides sufficient information to give confidence in the broad estimate of the scheme costs, as well as a profile of spend.

3.67 Since the project is already subject to detailed design, has contractor involvement, and has undertaken initial site investigations, we consider the cost estimates should be robust.

3.68 Inflation has been adequately included and we consider the scale of the risk budget (at 15%) to be appropriate.

3.69 There is no reference to additional on-going maintenance or renewal costs that would be incurred as a result of the road, although the accompanying S151 Officer letter indicates that the Council undertakes to meet any ongoing revenue requirements.

3.70 Clear reference, and supporting evidence, is provided that WBC is committed to the project and the necessary capital Programme funds have been allocated.

Commercial Case

3.71 The Commercial Case provides evidence on the commercial viability and outlines the procurement strategy of the scheme.

3.72 Wokingham BC have a contract with Balfour Beatty (BB), via the SCAPE framework, to deliver a series of major highway scheme and formed a Highways Alliance partnership with WSP and VolkerHighways for highways and transportation services. Each have a contract with the Council based on the NEC3 Engineering and Construction Contract.

3.73 Alternative options to the SCAPE framework are presented with a discussion of the unique benefits of the SCAPE framework. A demonstration of why the adopted approach, utilising the SCAPE framework, will deliver the best value for money is set out.

3.74 The principles of the Wokingham Highway Alliance, alongside the procurement approach, to demonstrate how it deliver value for money.

3.75 An outputs-based specification is provided for the whole of the Eastern Gateway scheme.
3.76 The *payment and charging mechanisms* in place for the procured contractors are detailed. With regards to *risk allocation and transfer*, it is stated that risk is shared across signed New Engineering Contract 3 contracts in accordance with contractual terms. *Contract management* details are briefly outlined.

**Independent Assessor Comment**

3.77 The Commercial Case is relatively detailed and provides sufficient evidence of the approaches to be adopted and how they offer best value.

3.78 The value in procuring through the existing SCAPE framework and Highway Alliance partnership is clearly outlined.

3.79 A clear *outputs-based specification* is provided.

3.80 *Payment mechanisms* are outlined and there is a high-level discussion of the principles of *risk allocation and transfer*.

3.81 An overview of *contract management* procedures that are in place to manage the SCAPE framework and Highways Alliance.

**Management Case**

3.82 The Management Case presents information on how the proposal will be delivered and managed.

3.83 A short description of Wokingham’s *previous experience* delivering transport developments is provided.

3.84 It is stated the scheme is relatively free from *dependencies*, with the exception of LGF funding availability. It is also stated that land deals with the land owner to the south of the Reading Waterloo rail line, and Network Rail, have yet to be fully completed.

3.85 An overview of *governance* is provided, with an organogram setting out key project roles, with named individuals, and responsibility outlined.

3.86 An *assurance and approval plan* is set out but is limited in specific detail relating to WBC procedures.

3.87 An overview of *communications and stakeholder management* procedures is set out, highlighting key mechanisms for engagement and identifying key stakeholders for the project. Inputs provided to date by *stakeholders* is summarised.

3.88 A succinct summary of project reporting is included, along with a discussion of *risk management* and the development of a Risk Register.

3.89 A brief discussion of a *benefits realisation plan* and the *monitoring and evaluation* process is set out, with a separate plan attached.

**Independent Assessor Comment**

3.90 The Management Case provides a useful overview of the procedures and plans in place to ensure the effective delivery of the project. There are some limitations, in terms of the depth of information presented, but overall it is considered broadly sufficient.

3.91 Evidence is provided of *previous projects* that have been delivered by the proposed team, albeit the extent to which these were delivered according to plan is not stated.

3.92 It is demonstrated that the project is well advanced, with all planning conditions discharged, and detailed design imminently completed. It is noted that the required land deals have yet
to be formalised, although they are anticipated imminently. This creates some uncertainty with the delivery of the project, although it is not considered to be significant.

3.93 A clear overview of roles and responsibilities within the organisation is set out, including governance by the Project Board.

3.94 The section on assurance and approvals focuses mainly upon LEP assurance requirements, with limited documentation of WBC approvals processes to ensure the successfully delivery of the project, albeit it is recognised the Council has well-established internal processes for project delivery.

3.95 The information provided on communications and stakeholder management is considered sufficient. More information could be provided on the project reporting arrangements.

3.96 The Benefits Realisation Plan section does not contain specific details on how the applicant will ensure the identified scheme benefits will be realised. The attached Monitoring and Evaluation Plan provides sufficient evidence of how the impacts of the project will be evaluated.

Summary and Conclusions

Summary

3.97 The review of the five cases has identified the following key points for consideration:

- The Strategic Case provides a clear articulation of the important role of the Eastern Gateway as part of the South Wokingham Distributor Road (SWDR) and for supporting the South Wokingham Strategic Development Land (SW SDL). The requirement for the scheme to directly ‘unlock’ three parcels of land within the SW SDL is established and, in doing so, it is clear that the scheme aligns well to a range of strategic growth priorities.

  The scheme also facilitates the closure of the Waterloo Road automatic half-barrier level crossing, significantly reducing safety risks associated with this crossing, and fully endorsed and supported by Network Rail.

- The overall Economic Case for the scheme demonstrates that it will achieve ‘high’ value for money when taking into account the uplift in land value from the development unlocked by the scheme. The direct transport user benefits are of insufficient magnitude to justify the investment without the land value uplift.

  It is recognised that the closure of the Waterloo Road level crossing, and diversion of existing traffic to Eastern Gateway, does generate some additional travel times for existing road users, but that the scheme will also provide general congestion relief across the Wokingham highway network in future years, as levels of underlying congestion increase.

  A detailed assessment of environmental, social and distributional impacts has been undertaken, and whilst some negative impacts are identified, these can broadly be mitigated against.

- The overall Financial Case provides sufficient information to give confidence in the broad estimate of the scheme costs, as well as a profile of spend. The project is considered well developed, with detailed design nearly complete, contractor involvement, and site investigation works, increasing the certainty in the costs. The Council’s S151 Officer has confirmed match funding availability from WBC.
The Commercial and Management Cases are relatively high-level but, in general, are considered to provide sufficient information to demonstrate that the scheme is being procured in an effective manner and will be subject to clear governance, assurance and management procedures. The scheme is well advanced with significant design and preparation work undertaken that provides greater surety around delivery.

Conclusions

3.98 The Strategic Case demonstrates alignment with strategic priorities to support growth across the area. The need for infrastructure provision to unlock development within the South Wokingham SDL is clearly established.

3.99 The Economic Case provides a robust assessment of the costs and benefits associated with the scheme. With the inclusion of the uplift in land value from the unlocked development lands, the overall case for investment is considered to be ‘High’.

3.100 The Financial Case demonstrates that the costs of the scheme are well-developed and appropriate levels of contingency and risk allowance are included.

3.101 The Commercial and Management Cases are considered to be relatively succinct but compliant with requirements. They provide sufficient evidence to demonstrate that the procurement approaches offer value for money and that there are robust measures in place to manage the delivery of the project.

3.102 It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and will mitigate the necessary closure of the Waterloo Road level crossing. In addition, the scheme will directly ‘unlock’ the delivery of 630 homes within the South Wokingham SDL, whilst subsequently facilitating the wider development. The overall adjusted forecast of monetised costs and benefits indicates the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability. On this basis, we recommend the scheme for approval.
Item 9: Financial Approval 2.43 Wokingham: Barkham Bridge

Purpose of Report

1. To consider giving financial approval to scheme 2.43 Wokingham Barkham Bridge.

2. The Barkham Bridge project consists of a new bridge structure across the Barkham Brook and approximately 300 metres of associated carriageway realignment. The new bridge is to be constructed south of the existing Barkham Bridge within private land. The existing Barkham Bridge Structure is to be retained and be converted to a shared footway/cycleway, connecting the existing sections of footway to the east and west.

Recommendation

3. You are recommended to give scheme 2.43 Wokingham Barkham Bridge full financial approval in the sum of £2,100,000 in 2019/20 and £2,135,641 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below.

Other Implications

Financial

4. A re-prioritisation exercise was undertaken in advance of previously allocated Growth Deal Funds and returned to the Growth Deal “pot” for re-allocation. Scheme 2.43 Wokingham Barkham Bridge is funded from this reallocation.

5. This report recommends that Wokingham Borough Council be authorised to draw down the capital sum £4,235,641 from the Local Transport Body funding for this scheme.

6. The funding agreement set out at paragraph 11 step 5 sets out the roles and responsibilities, reporting and auditing arrangements, timing and triggers for payments, contributions from other funders, consequences of delay, consequences of failure, claw back, and evaluation requirements at one and five years on.

Risk Management
7. The risk management arrangements already put in place by the Local Transport Body are as follows:
   - The Assurance Framework\(^1\) has been drafted following DfT guidance and has been approved by the DfT for use in allocating capital funds for transport schemes
   - Hatch Regeneris has been appointed as Independent Assessors and have provided a full written report (see Appendix 1) on the full business case for the scheme
   - The funding agreement set out at paragraph 11, step 5 makes clear that the financial risk associated with implementation of the scheme rests with the scheme promoter.

**Human Rights Act and Other Legal Implications**

8. The scheme promoter is a local authority and they have to act within the law. Wokingham Borough Council will provide legal support for the BLTB, should any questions arise.

**Supporting Information**

9. The scheme will be carried out for Wokingham Borough Council.

10. The full details of the scheme are available from the [Wokingham Borough Council website]\(^2\). A summary of the key points is given below:

<table>
<thead>
<tr>
<th>Task</th>
<th>Timescale</th>
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</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>Via the Council’s Term Contractor</td>
</tr>
<tr>
<td>Contractor appointed</td>
<td>As above</td>
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<tr>
<td>Construction</td>
<td>October 2019</td>
</tr>
<tr>
<td>Completion date</td>
<td>March 2021</td>
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</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funder</th>
<th>Cost (approx)</th>
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<tbody>
<tr>
<td>Scheme development</td>
<td>Wokingham Borough Council</td>
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</tr>
<tr>
<td>Major scheme funding</td>
<td>Berkshire Local Transport Body</td>
<td>£4.24m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£7.68m</strong></td>
</tr>
</tbody>
</table>

11. The table below sets out the details of this scheme’s compliance with steps 1-5 of Assurance Framework\(^3\).

<table>
<thead>
<tr>
<th>Assurance Framework Check list</th>
<th>2.43 Wokingham Barkham Bridge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1: Development of</td>
<td>The scheme was originally developed by Wokingham Borough Council to build a new bridge next to the existing Barkham Bridge (located</td>
</tr>
</tbody>
</table>

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\(^1\) [http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum](http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum)


\(^3\) [http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum](http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum)
between Barkham Street and Langley Common Road) to facilitate 2-way traffic through the existing bottleneck.

The SEP assessment process was used and the scheme was given 28 points and ranked 11th of 18 schemes submitted in July 2018 as part of the GD 3 reallocation process.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Raw score</th>
<th>Weighting</th>
<th>Weighted score</th>
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<tr>
<td>Strategy</td>
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<td>1.5</td>
<td>3.0</td>
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<tr>
<td>Deliverability</td>
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<td>4.0</td>
</tr>
<tr>
<td>Economic Impact</td>
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<td>8.0</td>
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<tr>
<td>TVB area coverage</td>
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<td>1.5</td>
<td>1.5</td>
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<tr>
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<td>0.5</td>
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<tr>
<td>Social</td>
<td>2</td>
<td>0.5</td>
<td>1.0</td>
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Total 18.0

Programme Entry status was given by the BLTB on 14 March 2019.

The Wokingham Borough website holds the latest details of the full business case, including the VfM statement certified by the senior responsible officer.

Any comments or observations on the scheme received by either TVB LEP or Wokingham Borough Council have been fully considered during the development of the scheme.

The report of the Independent Assessor is attached at Appendix 1. The Independent Assessor was asked to report as follows:

- Completeness – has the promoter prepared a complete Full Business Case submission, when judged against the prevailing advice from the DfT
- Accuracy – has the promoter performed the relevant calculations and assessments accurately and without error
- Relevance – has the Full Business Case considered all relevant matters, including use of appropriate forecasting models and planning assumptions, and has it included any irrelevant considerations such unduly-optimistic assumptions or out of date modelling data
- Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance
- Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme.
- Remedies – where the independent assessment reveals a gap between the FBC supplied and the standard anticipated by the DfT guidance, then the advice for the LTB should include recommendations for remedial actions required – e.g., collection of further data, sensitivity tests on particular assumptions etc.

Step 3: Conditional

The Independent Assessor has recommended that in this case Full

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<td>Approval</td>
<td>Financial Approval is appropriate.</td>
</tr>
<tr>
<td>Step 4: Recommendation of Financial Approval</td>
<td>The scheme currently has a Benefit - Cost Ratio (BCR) of 2.08. If an additional 10% uplift is applied to account for wider economic impacts, the adjusted BCR is forecast to increase to 2.14</td>
</tr>
<tr>
<td>- High Value for Money</td>
<td>DfT has set thresholds of 2.00 (High VfM) and 4.00 (Very High VfM) and schemes with BCRs above these thresholds can described as having High or Very High Value for Money.</td>
</tr>
<tr>
<td>- Support of the Independent assessor</td>
<td>The capital grant of £4,235,641 is a maximum figure which cannot be increased, but may be reduced if savings are achieved during implementation. In the event that Wokingham Borough Council wishes to alter the profile of the grant payments, it must seek prior written permission from TVB LEP, having first raised the matter with the BLTB. The grant is made subject to the following:</td>
</tr>
<tr>
<td>Step 5: Formal Agreement</td>
<td>1. Roles: TVB LEP is a part funder of the scheme. Wokingham Borough Council is the scheme promoter and is the relevant highway and planning authority.</td>
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<tr>
<td>- roles</td>
<td>2. Responsibilities: TVB LEP is responsible for allocating the capital finance in accordance with its Assurance Framework. Wokingham Borough Council is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, any other statutory duties, and any financial or other liabilities arising from the scheme.</td>
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<tr>
<td>- responsibilities</td>
<td>3. Implementation: In addition to any reporting requirements within Wokingham Borough Council, the scheme promoter will use the proforma supplied by TVB LEP to make reports on progress of the implementation of the capital scheme to each meeting of the BLTB until the build is complete. In particular, Wokingham Borough Council will report on any change in the size, scope or specification of the scheme; and on any substantial savings against the scheme budget whether achieved by such changes to the size, scope or specification of the scheme, or through procurement, or through the efficient implementation of the scheme.</td>
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<tr>
<td>- implementation</td>
<td>4. Reporting: The scheme promoter must provide accurate, timely, verified and quality assured quarterly monitoring and forecast data, which relate to defined output and outcome indicators agreed between TVB LEP and government as a condition of the Growth Deal. This scheme will not be required to participate in an evaluation as set out in the Growth Deal Monitoring and Evaluation Plan.</td>
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<tr>
<td>- reporting</td>
<td>5. Auditing: Wokingham Borough Council will keep financial records such that the expenditure on the scheme is readily identifiable, and if and when BEIS, DfT or other government department or the Accountable Body for TVB LEP requests access to financial or other</td>
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records for the purposes of an audit of the accounts, Wokingham Borough Council will co-operate fully.

6. Timing and Triggers for payments: See the Claim Proforma at Appendix 1 of the Capital Grant Letter – available on request.

7. Contributions from Other Funders: Wokingham Borough Council capital programme contributed £196,560 in 2017/18, £990,771 in 2018/19 and will contribute £986,916 in 2019/20 and £1,266,734 in 2020/21. In the event that the scheme experiences or it is anticipated that the scheme will experience a shortfall in these contributions, Wokingham Borough Council will be required to notify TVB LEP of these developments. The provisions of clauses 8, Consequences of Delay; 9, Consequences of Change to the Design or Specification of the Scheme; or 10, Consequences of Failure will then be applied.

8. Consequences of Delay: In the event that the scheme experiences minor delays to its overall Business Case programme (no more than 10 weeks), Wokingham Borough Council will report these delays and the reasons for them, and the proposed remedial action to the next available meeting of the BLTB. In the event that the scheme experiences major delays to its overall Business Case programme (11 weeks or longer) Wokingham Borough Council will be required to seek permission from TVB LEP to reschedule any payments that are due, or may be delayed in falling due because of the delay to the overall Business Case programme.

9. Consequences of Change to the Design or Specification of the Scheme: In the event that Wokingham Borough Council wishes to change the design or specification of the scheme such the scheme delivered will vary in any material aspect from the description given in the overall business case, Wokingham Borough Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Wokingham Borough Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme.

10. Consequences of Failure: As soon as it becomes apparent to Wokingham Borough Council that it will not be possible to deliver the scheme within the current LGF programme, i.e. by the end of 2020/21, written notice shall be given to the Accountable Body for TVB LEP. No further monies will be paid to Wokingham Borough Council after this point. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme.

11. Claw back: If the overall scheme achieves savings against budget, these savings will be shared by TVB LEP and the other funders noted above in proportion to the amounts set out in the Financial Profile. The Accountable Body for TVB LEP reserves the right to claw back any amounts of grant that have been spent on purposes
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<td>other than the scheme as approved and any repayments due as a consequence of changes to the design or specification of the scheme or scheme failure.</td>
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<tr>
<td><strong>12. Evaluation One and Five Years On</strong>: Wokingham Borough Council will produce scheme evaluations One and Five years after practical completion that comply with DfT guidance.</td>
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<tr>
<td><strong>13. Other Conditions of Local Growth Funds</strong>: Wokingham Borough Council will acknowledge the financial contribution made to this scheme through Local Growth Funds and follow the ‘Growth Deal Identity Guidelines’. also give due regard to the Equality Act 2010 - Public Sector and with the Public Services (Social Value Act) 2012, particularly through the employment of apprentices across the scheme supply chain.</td>
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**Conclusion**

12. Hatch Regeneris conclude that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and a clear need for intervention has been demonstrated. Whilst there are some uncertainties relating to the overall scale of benefits, the central case assessment of monetised costs and benefits forecasts the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability. On this basis, we recommend the scheme for approval.

**Background Papers**

13. The LTB and SEP scoring exercise papers are available on request.
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Executive Summary

i. This technical note provides an independent assessment of the Barkham Bridge scheme Business Case submission to the Thames Valley Berkshire Local Enterprise Partnership (TVB LEP).

Scheme Summary

ii. The business case submission sets out the case for investment in a new bridge alignment on the Barkham Road to remove current one-way working and permit two-way traffic flow across the corridor.

iii. The old alignment would be retained for walking and cycling provision and highway drainage improvements are incorporated within the scheme to reduce flood risk and improve network resilience.

iv. The Barkham Road route is utilised by the Leopard Bus, that provides connections to Wokingham, and is part of the safe routes to school network. It will also provide an important connection to and from the proposed development site at Arborfield Garrison.

v. The overall scheme cost is estimated to be £7.65 million, with £4.24 million sought from the Local Growth Fund (LGF).

Review Findings

Conclusions

vi. The overall scheme is considered to align well with strategic priorities and there is a well-established need for the intervention. It enhances connectivity along the Barkham Road Corridor, connecting nearby villages with Wokingham. It also supports the broader delivery of the Arborfield Garrison SDL.

vii. The overall Economic Case for the scheme forecasts it will deliver high value for money through direct transport user benefits, albeit these may be subject to variation based upon underlying levels of growth. In addition to these direct benefits, there will also be a range of wider economic and social benefits. Whilst some negative environmental impacts may occur, mitigation measures will be included to minimise these impacts.

viii. The Financial Case demonstrates that the costs of the scheme are well-developed and appropriate levels of contingency and risk allowance are included.

ix. The Commercial and Management Cases are considered to be relatively succinct, but compliant with requirements. They provide sufficient evidence to demonstrate that the procurement approaches offer value for money and that there are robust measures in place to manage the delivery of the project.

x. It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and a clear need for intervention has been demonstrated. Whilst there are some uncertainties relating to the overall scale of benefits, the central case assessment of monetised costs and benefits forecasts the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability.

Recommendations

xi. On the basis that it aligns well with strategic priorities, addresses a clear need for intervention, is forecast to deliver high value for money, and is deliverable, we recommend this scheme for approval.
1. **Introduction**

1.1 This report provides an independent assessment of the Full Business Case (FBC) submitted by Wokingham Borough Council (WBC) for a new bridge alignment on the Barkham Road to remove current one-way working and permit two-way traffic flow across the corridor.

1.2 The report considers the evidence presented and whether it represents a robust case for the investment of Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) growth deal funds.

1.3 The independent assessment has applied criteria from TVB LEP assurance framework and the requirements for transport scheme business cases set out within the Department for Transports (DfT) Transport Appraisal Guidance (TAG).

### Submitted Information

1.4 The independent assessment process for the Barkham Bridge submission has been conducted on the following set of documentation submitted by WBC and their consultant team (WSP):

- An Early Submission Full Business Case Report (3rd July 2019)
- A Final Full Business Case Report (30th October 2019)

1.5 The Early Submission FBC was completed in advance of the July BLT Board meeting but it was concluded that insufficient analysis had been completed at this time to enable the scheme to be considered at this meeting.

1.6 Whilst no formal Option Appraisal Report or Appraisal Specification Report were submitted for this project, a number of meetings have taken place with WBC, and their consultants, between June 2019 and September 2019 in which the appraisal specification has been discuss and agreed, alongside the broader requirements of the final business case submission and comment upon the acceptability of input assumptions and parameters.

### Report Structure

1.7 This Independent Assessors Report responds to the formal submission of documentation, as well as the informal engagement process with WBC and their consultants, to provide a review of information provided, assess it suitability and robustness against TVB LEPs assurance requirements, and provide recommendations in relation to the approval of LEP funding for the proposed scheme.

1.8 The report is structure as follows:

- **Section 2: Appraisal Specification** – presents a high-level review of the process undertaken to agree the proposed appraisal approach to be adopted
- **Section 3: Full Business Case Submission** – presents an initial summary of scheme elements included business case submission, alongside the details presented within each of the five ‘cases’ (Strategic, Economic, Financial, Commercial, Management). It also sets out the recommendations to the LEP Local Transport Body relating to the suitability of the scheme for funding.
2. Appraisal Specification

Overview

2.1 No formal Appraisal Specification Report has been submitted for this project; however, the approach to the business case has been discussed, in detail, between WBC, their consultants, TVB LEP, and Hatch Regeneris, including at a meeting held on 1st August 2019.

2.2 The approach to the assessment has evolved between the Early Submission FBC in July and the subsequent development of the Final FBC, based on feedback provided by Hatch Regeneris. This is briefly outlined below.

Initial Approach

2.3 The Early Submission FBC submitted in July was based around the assessment of journey times savings for vehicles travelling along Barkham Road, alongside wider consideration of how the scheme will support the delivery of the Arborfield Garrison development.

2.4 The assessment of journey time savings focused on the AM and PM Peak periods and did not take direct consideration of the impacts outside of these periods. There was also no assessment of accident impacts. Whilst the overall strategic case for the scheme was considered strong there was insufficient evidence to determine that it delivered high value for money from investment.

Revised Approach

2.5 The revised approach adopted within the Final FBC will expand the range of impacts assessed and will includes specific monetisation of the benefits the scheme will deliver during the inter-peak and off-peak periods, as well as the impacts upon accidents.

2.6 Further detail to support the Commercial and Management Cases will also be provided.

Assessor Review

2.7 The revised approach, agreed at the meeting on 1st August 2019, is considered to be appropriate for the scheme. The importance of being able to demonstrate the scheme offers high value for money from investment is reiterated.
3. Full Business Case

Overview

3.1 The full business case submission sets out the case for investment in a new bridge alignment on the Barkham Road to remove current one-way working and permit two-way traffic flow across the corridor.

3.2 The old alignment would be retained for walking and cycling provision and highway drainage improvements are incorporated within the scheme to reduce flood risk and improve network resilience.

3.3 The Barkham Road route is utilised by the Leopard Buss that provides connections to Wokingham, and is part of the safe routes to school network.

3.4 The Barkham Road route will also provide an important connection to and from the proposed development site at Arborfield Garrison, which will deliver 3,500 homes.

Key Input Assumptions and Parameters

3.5 The overarching business case is considered particularly reliant upon the following key assumptions:

- The Wokingham Strategic Transport Model 4 (WSTM4) has been utilised with two model years 2021 and 2026 for the AM and PM peak periods
- Annualisation factors:
  - Model period factoring: AM Peak = 2.62, Inter-peak = 6, PM Peak = 2.75
  - Overall: AM Peak = 662 hrs, PM Peak = 696 hrs
- 60-year benefits appraisal period
- Costs and benefits discounted to 2010 prices
- 3% optimism bias applied
- The nearby Arborfield Garrison SDL is not deemed directly dependent upon the Barkham Bridge scheme, but the scheme will support the delivery of homes at the site.

Independent Assessor Comment

3.6 The use of the WSTM4 model is considered appropriate. It is understood from engagement with the Applicant that the impact of the current one-way working on Barkham Bridge has been specifically coded into the model and calibrated with on-site survey data of delays.

3.7 The annualisation factors, the appraisal period and the discount period are all acceptable.

3.8 The level of optimism bias is low but reflects the fact that the scheme has undergone detailed design and so cost estimates are considered to be highly accurate.

3.9 It is agreed that the Arborfield Garrison SDL is not directly dependent upon the Barkham Bridge scheme.
Strategic Case

3.10 The Strategic Case provides an overview of the area and a scheme description, and the background to the scheme, highlighting the constraint of the current single lane bridge.

3.11 The key policy context is highlighted in relation to TVB LEP and Council’s strategies and policies.

3.12 The need for a highway scheme at this location is set out focusing upon the issues of congestion on both the Barkham Road corridor and the surrounding network, and the need to support new development.

3.13 Particular reference is made to the Arborfield Garrison site, where 2,000 home, a secondary, and a primary school will be delivered on the northern part of the site, and a further 1,500 homes, a primary school, and industrial floor space on the southern part of the site. The impact of growth upon traffic flows is presented and demonstrates that congestion levels at Barkham Bridge will increase.

3.14 It is also noted that remedial structural work to the bridge was undertaken in 2012-13 but that the asset has a limited residual life and will be subject to increasing maintenance requirements over the coming years.

3.15 The strategic importance of the route, linking a number of villages to Wokingham, is also highlighted.

3.16 The objectives of the scheme are summarised as:

- Assist with facilitating the Arborfield Garrison SDL housing development (3,500 dwellings)
- Support the 2026 Local Plan housing delivery in the borough
- Deliver improvements to transport capacity on routes from Arborfield towards Wokingham
- Improve journey times to existing and new employment opportunities leading to the growth of the local economy
- Relieve some of the congestion pressure in the area local to Barkham and Arborfield
- Encourage sustainable and active transport

3.17 The range of options considered to meet the established objectives is summarised with reference to alternative routes, alternative alignments, and the need to minimise temporary construction disruption. The benefits of the preferred option over the alternatives are summarised.

3.18 The measures for success associated with two of the established objectives are set set out, relating to journey time benefits and delivery of housing and jobs.

3.19 Given the advanced stage of development of the scheme, there are no longer considered to be any significant constraints for delivery. No planning consent was required, and land deals have been completed. Agreement with flood alleviation measures have been agreed with the Environment Agency. The scheme is also considered to have no inter-dependencies.

3.20 A summary of the transport modelling and economic appraisal approach is set out. This highlights the forecast change in traffic flows over Barkham Bridge, and routes to and from this location, as a result of the scheme. The importance of the route for trips to and from Arborfield Garrison is presented.

3.21 An indicative assessment of the impact of the scheme upon journey times is also presented, and shows for eastbound trips into Wokingham during peak travel times in 2021,
journey times could be reduced by around 9% (between 35 and 45 seconds). These benefits are forecast to increase over time as traffic levels increase.

3.22 A quantified assessment of accident impacts has been undertaken but it is also stated that there have been a number of ‘near misses’ at the bridge itself and that the benefit of reducing these risks of accidents are not capture in the quantified assessment.

3.23 Reference is made to the stakeholders who have been engaged as part of the scheme development process, including TVB LEP, statutory bodies (including the Environment Agency), local residents, and land owners.

3.24 The Strategic Case concludes with a clear summary of the congestion issues addressed by the scheme, how it will support wider network resilience, and the need to support the Arborfield Garrison SDL.

**Independent Assessor Comment**

3.25 The Strategic Case is considered to presents a robust overview of the issues, objectives and preferred solutions for the Barkham Road corridor and surrounding network.

3.26 The policy context is reasonably well established, with reference to key local policy documents.

3.27 The outlined need for the scheme is established, with some supporting evidence provided. The importance of the scheme in supporting the delivery of the Arborfield Garrison SDL is detailed. There is also useful evidence around how the link supports wider connectivity between local villages and Wokingham.

3.28 The impact of no change is not specifically explored and the drivers for change are implied rather than explicitly stated.

3.29 There are a range of suitable scheme objectives presented that are focused upon the strategic priorities of growth, connectivity and accessibility, and overall transport capacity within the corridor and wider area. The impact the Barkham Bridge scheme will have in addressing some of the objectives is presented, including how it will to encourage sustainable and active travel.

3.30 The measures of success only specifically relate to two of the stated objectives but they are logical, albeit relative unspecific in terms of the scale of outcomes.

3.31 The options assessment process demonstrates that improvements along different transport corridors has been considered before concluding that improvements to the Barkham Road corridor were preferable. The different highway alignments for the scheme are also presented, with reference to a previous Options Report.

3.32 The evidence presented provide confidence that the scheme has no significant constraints or inter-dependencies, with no outstanding planning consent, land purchase, or requirements from statutory bodies.

3.33 The information presented on the traffic modelling and economic case provides clear insight into the benefits delivered by the scheme, in terms of reducing travel times, as well as the importance of the link to trips from Arborfield Garrison SDL. It also highlights useful additional information around the maintenance requirements of the current Barkham Bridge structure and the reduction in the risk of accidents on the bridge itself.

3.34 The list of stakeholders appears reasonably comprehensive, with detail presented around the level of engagement undertaken to date and a demonstration of involvement from statutory bodies.

3.35 The summary section provides a useful overview of the key elements of the strategic case and it is considered that the underlying case for investment in the scheme has been made.
The link to the delivery of the Arborfield Garrison SDL is considered to be an important strategic connection for the scheme, as well as the wider role of the Barkham Road corridor in providing strategic connectivity across the area.

**Economic Case**

3.36 The Economic Case describes the transport modelling work undertaken, the economic assessment approach, the scheme cost calculations, a discussion of potential accident impacts, and the economic assessment results.

3.37 The approach to the transport modelling is set out, describing the use of the WSTM4 model and its base year calibration and validation.

3.38 The approach to assessing future year demand for the model is set out, along with the committed transport schemes included within the model. The model covers an average hour within a 1-hour AM peak period, and average inter-peak hour, and an average hour within a 1-hour PM peak period. The scenarios appraised are set out.

3.39 Traffic model outputs are presenting demonstrating the impact of the scheme upon journey times along the Barkham Road corridor leading into Wokingham. These indicate around 9% travel time reductions in 2021 (between 35 and 45 seconds) and between 12% and 14% by 2036 (between 55 and 80 seconds). The impact upon traffic flows are also presented.

3.40 The range of scheme benefits are set out. These include the costs and benefits in relation to accidents, assessed through DfT’s COBALT software. These indicate that, across the whole highway network, there is forecast to be a slight disbenefits, equating to £92,000, in 2010 prices.

3.41 The transport user benefits are presented. These have been calculated using the DfT’s TUBA software. Overall benefits are estimated as just under £12.3 million in 2010 prices.

3.42 The impact upon the Public Accounts is presented, with a broad transport budget of £5.685 million and a loss in fuel duty revenues of £372,000, both in 2010 prices.

3.43 The Analysis of Monetised Costs and Benefits is presented with the scheme forecast to generate an overall benefit cost ratio (BCR) of 2.08 to 1. If an additional 10% uplift is applied to account for wider economic impacts, the adjusted BCR is forecast to increase to 2.14.

3.44 The environmental impacts of the scheme are presented. No assessment of noise and air quality has been undertaken as it was considered that the scheme alignment moves the road further away from properties.

3.45 Whilst there could be some potential impacts upon biodiversity, mitigation measures will be in place to minimise these impacts. Similarly, a number of measures are stated for the protection of the water environment during the construction phase, and the Planting Plan to minimise impacts upon landscape.

3.46 The social impacts of the scheme are presented. It is acknowledged that the network-wide accident impacts have been assessed as a slight adverse impact; however, evidence is presented to demonstrate that, at a local (Barkham Bridge) level, the risk of accidents in anticipated to reduce, and that these benefits are not captured within the COBALT assessment.

3.47 The impacts upon physical activity are stated as being limited and so have not been assessed in detail. Similarly, the impact upon security is considered neutral. The scheme is considered to offer some positive impact in terms of reducing severance, through the provision of additional transport capacity. Journey quality is also forecast to have a slight positive benefit, through improving traveller care and reducing stress.
3.48 No impacts on **option and non-use values** are anticipated. A detailed assessment of the impact upon **accessibility** has not been undertaken, as the scheme is not stated to substantially affect access to public services.

3.49 The **distributional impacts** of the scheme are presented in relation to income distribution, children, young adults, older people, disabled, black and minority ethnic groups, those without access to a car, and carers.

3.50 The **user benefits** and **affordability** impact are primarily derived by individuals within higher income groups. Other impacts are generally stated as being neutral across user groups.

3.51 High and low growth **sensitivity tests** are presented. Under the low growth scenario the adjusted BCR falls to 1.69 to 1, representing medium value for money. Under the high growth scenario it increased to 3.47 to 1.

3.52 An **Appraisal Summary Table** is completed and attached with business case. The **Value for Money Statement** confirms the scheme is forecast to deliver High Value Money.

**Independent Assessor Comment**

3.53 The Economic Case presents detailed information on the approach adopted, the tools utilised, and the forecast economic costs and benefits of the scheme.

3.54 A range of information is presented around the traffic modelling that demonstrates the WSTM4 is a robust and appropriate tool to use. The assessment of AM Peak, inter-Peak, and PM Peak is considered appropriate and two future year scenarios have been assessed, following standard practice for extrapolation of benefits.

3.55 The outputs clearly demonstrate the scheme deliver direct transport benefits and that there will also be wider network benefits, particularly in terms of resilience.

3.56 The assessment of network accident impacts applies standard industry approaches and is considered robust. The slight adverse impact is not considered to be unexpected for a scheme of this type.

3.57 The overall assessment of transport user benefits is robust, applying standard industry practices. It is understood that the breakdown of benefits by time period is as follows: AM Peak = 48% of benefits, inter-peak = 11%, and PM Peak = 41%. No benefits have been assessed for Saturdays or Sundays and, as such, the assessment can be considered marginally conservative in its approach. The outputs demonstrate that the scheme clearly provides significant direct transport benefits, most notably during the periods of peak traffic flows.

3.58 The application of a 3% level of optimism bias to the scheme costs is considered appropriate given that the scheme is fully designed and there is considerable certainty in the costs.

3.59 The overall assessment of monetised costs and benefits demonstrates the scheme is forecast to deliver high value for money, under the Central Case scenario.

3.60 The environmental assessment has been undertaken in a proportional manner. There is no assessment of noise and air quality impacts. This is considered to be reasonable, as the scheme is enhancing an existing highway route. Traffic volumes are forecast to increase along the route and so there could be some marginal negative impacts, but these will be off-set but reduction in traffic movements along alternative routes.

3.61 The assessments of biodiversity, water environment and landscape are considered detailed and reflect the advanced nature of the scheme design. The assessment of impacts is considered to be robust.
3.62 The assessment of social impacts has also been undertaken in a proportional manner. There is no assessment of physical activity, security, option values, and accessibility. Given the scale and type of scheme, this is considered to be reasonable, albeit it is considered that there could be some minor positive accessibility impacts.

3.63 The assessment of accidents presents a useful local assessment of the risk of accidents at Barkham Bridge itself and it is considered appropriate that these benefits are classified as additional to the standard COBALT assessment.

3.64 The assessment of severance and journey quality are also considered robust.

3.65 A detailed assessment of distributional impacts has been undertaken and the outputs are considered robust.

3.66 The sensitivity tests for low and high growth indicate that the outcomes of the economic case are relatively sensitive to the assumed level of future growth. Under the low growth scenario, the benefit cost ratio falls into the medium value for money category, albeit the scheme will still generate significantly greater benefits than the associated costs.

3.67 The overall value for money statement demonstrates that the scheme will represent high value for money under the central case scenario.

### Financial Case

3.68 The Financial Case provides a breakdown of the capital scheme costs and the estimated funding and cost profiles.

3.69 The total cost of the scheme is £7.645m, of which the funding ask from TVB LEP is £4.236m.

3.70 The breakdown of costs details: Lands; Pt1 Claims; Core team; Surveys; Enabling; utilities; and construction. This generates a sub-total of £6.418m.

3.71 An additional allowance for price inflation is included of £0.509m and £0.718m is included to cover risk, taken from a quantified risk assessment.

3.72 It is confirmed that the scheme is at detailed design stage, with early contractor involvement (Balfour Beatty) who have provided the scheme costs.

3.73 A detailed outturn costs and spending profile is presented, with the total per annum summarised below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017/18</td>
<td>£196,560</td>
</tr>
<tr>
<td>2018/19</td>
<td>£990,771</td>
</tr>
<tr>
<td>2019/20</td>
<td>£3,086,916</td>
</tr>
<tr>
<td>2020/21</td>
<td>£3,121,191</td>
</tr>
<tr>
<td>2021/22</td>
<td>£250,000</td>
</tr>
</tbody>
</table>

3.74 Funding is to be sourced from the LEP (£4.236m) and from the Council Capital Programme (£3.410m).

3.75 WBC S151 Officer has provided a letter confirming the borough’s commitment to the scheme and the availability of funds.

### Independent Assessor Comment

3.76 Whilst the breakdown in cost estimates presented is relatively high level, they have been directly provided by the contractor and so are considered likely to be robust. Cost inflation has been adequately incorporated.
3.77  A Quantified Risk Budget of £0.718m (or 11% of the construction cost) has been set aside to meet any unexpected costs. This is based upon a detailed assessment of risks and would appear to be a reasonable amount of contingency funding for a scheme at detailed design phase.

**Commercial Case**

3.78  The Commercial Case outlines the procurement strategy, incorporating sourcing options, payment and charging mechanisms, risk allocation and transfer, and contract management procedures.

3.79  WBC’s contact with Balfour Beatty, via the Scape Framework, to deliver major highway schemes is described. Similarly, the Highway Alliance Partnership that WBC has established with WSP and Volker Highways to deliver highways and transportation services is highlighted.

3.80  The benefits of the Scape framework are set out and the reasons why alternative approaches were not pursued are described. This focuses upon the time and costs incurred around tendering.

3.81  A statement around the value for money of the selected procurement approach is provided, which includes reference to the Value for Money Toolkit embedded within the Scape procurement process.

3.82  The procurement approach for the Highway Alliance is also described to demonstrate that it represents a robust approach.

3.83  An outputs-based specification for the scheme is set out encompassing all elements of the scheme.

3.84  The administration of payment of contracts under each framework/partnership is described, and similarly the risk allocation and transfer.

3.85  The contract management procedure the Council has in place to manage both frameworks/alliances is described.

**Independent Assessor Comment**

3.86  The advantages of the Scape Framework and the Highway Alliance are well set out. Whilst the benefits over alternative approaches appears heavily focused upon time and cost incurred around tendering, it also demonstrated how the Scape procurement process ensure broader value for money.

3.87  A detailed Output-Based Specification for the scheme is included, alongside a brief overview of the payment and charging mechanisms to be applied on the contract.

3.88  There information on risk allocation and transfer is relatively high level but provides evidence that a process is in place to actively manage risk allocation.

3.89  There is clear evidence that WBC has contract management procedures are in place to manage the Scape Framework and the Highways Alliance.
Management Case

3.90 The Management Case presents information on how the proposal will be delivered and managed.

3.91 A range of examples of WBC’s experience in successfully delivering transport infrastructure schemes are provided, including those deliver by Balfour Beatty.

3.92 Programme and project dependencies are discussed but considered to be minimal given the advanced stage of development of the project.

3.93 An overview of governance is provided, with an organogram setting out key project roles, with named individuals, and responsibility outlined.

3.94 Reference is made to TVB LEP Assurance Framework for assessing projects at critical stages, as part of the assurance and approval process.

3.95 The Communication & Stakeholder Management processes are described in broad terms, with reference to engagement and inputs from key stakeholders.

3.96 A description of the progress reports that will be produced as part of the project reporting process is set out.

3.97 An Implementation Plan sets out the key workstreams and issues and milestones. This confirms scheme opening by March 2021.

3.98 Reference is made to the maintenance of a risk register as part of the Risk Management Strategy. The risk register is split into two sheets: once in relation to Employer Risks; and the other for Contractor Risks.

3.99 A Benefits Realisation Plan is described in broad terms, whilst a Monitoring and Evaluation Plan is attached as an appendix.

Independent Assessor Comment

3.100 The previous project examples demonstrate WBC’s and Balfour Beatty’s ability to deliver major transport schemes similar to Barkham Bridge.

3.101 It is recognised that the scheme is well developed and, as such, the project and programme dependencies will be limited, with no planning requirements, land acquisition completed, and agreements with statutory bodies, such as the environment agency.

3.102 The governance structure is clear, with specific responsibilities outlined for defined individuals. The reference to adhering to TVB LEP assurance process is welcomed but additional detail on the local implementation could have been provided.

3.103 The communication and stakeholder management strategy is relatively high level; however, evidence of engagement with key stakeholders is presented. The Risk Management Strategy has limited detail but it is clear there is a live risk register to manage on-going risks.

3.104 The Benefits Realisation Plan section does not contain specific details on how the applicant will ensure the identified scheme benefits will be realised. The attached Monitoring and Evaluation Plan provides sufficient evidence of how the impacts of the project will be evaluated.
Summary and Conclusions

Summary

3.105 The review of the five cases has identified the following key points for consideration:

- **The Strategic Case** demonstrates reasonably strong policy alignment and a good case for intervention, with clear supporting evidence of the benefits the scheme will deliver in relation to reducing delays and improving journey time for access and movement along the Barkham Road Corridor. The importance of the scheme in supporting the Arborfield Garrison SDL is also established, with 3,500 homes to be delivered across the site.

  The limited residual life of the current Barkham Bridge is also highlighted, with the likelihood of increasing maintenance requirements on the old structure if it is not replaced.

  A clear set of overarching objectives is established, and it is demonstrated how the scheme will respond to each one. It is also demonstrated that the scheme is at an advanced stage of development, with all major constraints addressed, and thorough engagement with necessary statutory bodies, specifically the Environment Agency.

- **The overall Economic Case** for the scheme demonstrates that it will achieve 'high' value for money. There are significant transport user benefits, in terms of journey time savings and vehicle operating cost reductions. These occur predominantly across the peak periods of traffic, but also within the inter-peak. Whilst there are slight adverse accident impacts across the highway network as a whole, it is further demonstrated that there will be further (non-monetised) reductions in the risk of accidents at Barkham Bridge itself. The scheme is also likely to deliver some wider economic benefits.

  A detailed assessment of social and distributional impacts has been undertaken, with broadly neutral and slight positive impacts. The assessment of environmental impacts is considered detailed, and whilst some negative impacts are identified, these will broadly be mitigated against through the design of the scheme and accompanying measures.

  The sensitivity analysis indicates that the scale of benefits is sensitive to the level of underlying growth, with the low growth scenario forecast to deliver only 'medium' value for money, albeit the benefits would still significantly outweigh the costs of the scheme.

- **The Financial Case** presented for the scheme is considered robust with a breakdown of costs and an understanding that these are based upon final detailed design for the scheme. A suitable risk contingency is included (11% of construction costs), which has been generated through a quantified risk register. Match funding is provided by WBC through their Capital Programme, with confirmation of available funds provided by the S151 Officer.

- **The Commercial and Management Cases** provide reasonably detailed information to demonstrate surety in the procurement processes and the overall deliverability of the project. The advanced state of the project means that the contractor has already had involvement and there is a clear programme and allocation of risks. There is evidence that the project team has sufficient experience to deliver the project and there is a clear governance structure. Whilst the assurance protocols presented are limited it is recognised that the delivery will be subject to the conditions of the Wokingham Highway Alliance Scape framework.
Conclusions

3.106 The overall scheme is considered to align well with strategic priorities and there is a well-established need for the intervention. It enhances connectivity along the Barkham Road Corridor, connecting nearby villages with Wokingham. It also supports the broader delivery of the Arborfield Garrison SDL.

3.107 The overall Economic Case for the scheme forecasts it will deliver high value for money through direct transport user benefits, albeit these may be subject to variation based upon underlying levels of growth. In addition to these direct benefits, there will also be a range of wider economic and social benefits. Whilst some negative environmental impacts may occur, mitigation measures will be included to minimise these impacts.

3.108 The Financial Case demonstrates that the costs of the scheme are well-developed and appropriate levels of contingency and risk allowance are included.

3.109 The Commercial and Management Cases are considered to be relatively succinct, but compliant with requirements. They provide sufficient evidence to demonstrate that the procurement approaches offer value for money and that there are robust measures in place to manage the delivery of the project.

3.110 It is our conclusion that there is sufficient evidence presented to support the overall case for investment in the scheme. It has good strategic alignment and a clear need for intervention has been demonstrated. Whilst there are some uncertainties relating to the overall scale of benefits, the central case assessment of monetised costs and benefits forecasts the scheme will deliver high value for money. The scheme is at an advanced stage of development, with limited risks for deliverability. On this basis, we recommend the scheme for approval.
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BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB
DATE: 14 November 2019

CONTACT OFFICER: Josie Wragg, Chief Executive Slough Borough Council, lead Chief Executive to the BLTB

PART I

Item 10: Transport for the South East – Subscription Report Update

Purpose of Report

1. At your meeting in November 2017, you agreed to pay a subscription to Transport for the South East (TfSE) of £20,000 for 2017/18 and £58,000 for 2018/19, both amounts to be split 6 ways between the constituent authorities.

2. In its role as accountable body for the Berkshire Local Transport Body, Slough BC collects contributions from BLTB members and passes the subscriptions to East Sussex County Council, the accountable body for TfSE.

3. While TfSE continues to progress its plans to become a statutory body, we believe it prudent at this stage for the BLTB to agree renewal of further subscriptions on an annual basis.

Recommendation

4. You are recommended to:

4.1. Agree to a renewed annual BLTB subscription of £58,000 for TfSE to cover the period 2019/20, with the amount to be split 6 ways between the constituent authorities.

Other Implications

Financial

5. Funding of £500k has been secured for TfSE from the Department for Transport for 2019/20.

6. The TfSE Shadow Partnership Board has agreed in principle to a funding model for 2019/20, which retains the same level of local contribution as the previous year and will bring in a further £498,000 of funding to support the operation of Transport for the South East. The approach for calculating contributions has been developed in a pragmatic manner with members and reflects the sizes of different member authorities.
### Risk Management

7. In November 2015, the DfT published proposals as part of its devolution agenda\(^1\) to establish sub-national transport bodies on a statutory basis. It gave Transport for the North\(^2\) and Midlands Connect\(^3\) as examples.

8. The risk for the Thames Valley Berkshire area is that by not engaging with the government’s policy to promote sub-national transport bodies, it will harder to fund infrastructure proposals that are significant at the sub-national scale.

9. The risk associated with participating in these arrangements is that time, resources and energy will be devoted to the new arrangements which fail to deliver any tangible benefits.

10. At the March 2017 meeting you agreed that the BLTB should join the new arrangements, as opposed to the six individual unitary authorities, as response to these risks. The logic of the proposal is that the six unitary councils have a shared interest at the sub-national scale, and that our participation can be safely streamlined through joint participation.

11. Having agreed to join the organisation, it is appropriate to contribute to its costs.

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\(^2\) [http://www.transportforthenorth.com/](http://www.transportforthenorth.com/)

Human Rights Act and Other Legal Implications

12. Section 21(1) of the Cities and Local Government Devolution Act 2016 amended Part 5 of the Local Transport Act 2008 as follows,

“The Secretary of State may by regulations establish a sub-national transport body for any area in England outside Greater London.”

The Act goes on to describe further the regulations for a sub-national transport body should be made.

13. Slough Borough Council will provide legal support for the BLTB should any questions arise on the application of this enabling legislation to the arrangements for the proposed Transport for the South East.

Supporting Information

14. Attached at Appendix 1 of this report is the budget report that was agreed by the TfSE Shadow Board on 10 December 2018.

15. You will note that the report anticipated a further financial contribution of £1m from the DfT for 2019/20. In June 2019 TfSE were informed that a £500k grant would be allocated by DfT. As a result, TfSE recognised that it would not be possible to undertake the original corridor studies programme within the revised budget. A revised budget to take account of this update still allows TfSE to deliver area studies that add considerable value to the evidence base for the draft Transport Strategy and also allows all other agreed activities to proceed.

Conclusion

16. The Shadow Board for ‘Transport for the South East’ continues to progress towards statutory status and plans to re-submit its bid to government after the current draft Transport Strategy is fully agreed, post consultation.

Background Papers

17. Correspondence between LEPs and briefing notes supplied by the TfSE shadow project team.

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4 http://www.legislation.gov.uk/ukpga/2016/1/section/21/enacted
Appendix 1

To: Shadow Partnership Board – Transport for the South East

Date: 10 December 2018

Title of report: Budget monitoring and financial update

Purpose of report: To update on the budget position for Transport for the South East

Recommendations
The Shadow Partnership Board is recommended to:

1) Note the forecast revenue budget currently projected for the 2018/19 financial year;
2) Note the forecast expenditure for 2019/20; and
3) Agree to set a local contribution, subject to individual constituent authority budget setting, of £58k for county authorities and £30k for individual unitary authorities for the 2019/20 financial year.

1. Financial Overview
1.1 The purpose of this report is to update the Shadow Partnership Board on the revenue budget for Transport for the South East (TfSE).

1.2 TfSE’s income budget for 2018/19 is currently £1,496,000 and projected expenditure is £648,000. This includes grant funding of £1m from the Department for Transport (DfT) in 2018/19.

2. Key Issues
2.1 In May 2018 the DfT provided £1m in grant funding to support development of the Transport Strategy. This was timely and welcome and has allowed TfSE to commence development of the Transport Strategy. In order to complete the Transport Strategy, TfSE will require a further grant contribution from the DfT and are working with the DfT to explore options to maintain the pace of development.

2.2 In parallel, TfSE are working with the DfT as they shape their input to the next comprehensive spending review. It is important to ensure TfSE is recognised as part of the spending review and the aim is to secure some core funding over the spending review period.

2.3 It is evident that DfT wish to see local contributions forming part of TfSE’s approach to funding and welcome the local contributions made to date. The local contribution has enabled TfSE to fund a small staffing complement to progress both the Transport Strategy and the development of the Proposal to Government to achieve statutory status.
2.4 Currently constituent authorities have paid a contribution for 2018/19 financial year of £58k for county authorities and £30k for individual unitary authorities. It is proposed to continue this into the 2019/20 financial year and for the amounts to stay the same.

2.5 The table below outlines the income and expenditure for the current year and what is forecast for 2019/20.

<table>
<thead>
<tr>
<th>Item</th>
<th>Prior year actuals</th>
<th>2018-19 forecast</th>
<th>2019-20 forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry forward</td>
<td>£284,210</td>
<td>£1,074,543</td>
<td></td>
</tr>
<tr>
<td>LTA Contributions</td>
<td>£276,000</td>
<td>£438,000</td>
<td>£498,000</td>
</tr>
<tr>
<td>DfT Grant</td>
<td>£100,000</td>
<td>£1,000,000</td>
<td>£0</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td><strong>£376,000</strong></td>
<td><strong>£1,722,210</strong></td>
<td><strong>£1,572,543</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary Costs</td>
<td>£0</td>
<td>£175,442</td>
<td>£486,552</td>
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<tr>
<td>Transport Strategy</td>
<td>£79,110</td>
<td>£386,725</td>
<td>£395,404</td>
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<tr>
<td>Proposal to Government</td>
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<td>£30,000</td>
<td>£30,000</td>
</tr>
<tr>
<td>Communications</td>
<td>£2,081</td>
<td>£35,000</td>
<td>£35,000</td>
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<tr>
<td>Travel</td>
<td>£292</td>
<td>£2,500</td>
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</tr>
<tr>
<td>Meeting Expenses</td>
<td>£8,667</td>
<td>£10,000</td>
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<tr>
<td>Training</td>
<td>£974</td>
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<td>£1,000</td>
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<tr>
<td>Transport Forum Expenses</td>
<td>£666</td>
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<td>£7,000</td>
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<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>£91,790</strong></td>
<td><strong>£647,667</strong></td>
<td><strong>£967,456</strong></td>
</tr>
<tr>
<td>Balance</td>
<td>£284,210</td>
<td>£1,074,543</td>
<td>£605,087</td>
</tr>
</tbody>
</table>

5 Includes Surrey contribution for 2018-19 which was received in 2017-18
6 Excludes Surrey contribution for 2018-19 which was received in 2017-18
3. Conclusions and recommendations

3.1 It is recommended that the Board note the revenue budget forecasts and welcome the financial contributions made by both the constituent authorities and the DfT.

3.2 It is also recommended that the Board proposes to their respective Councils to continue with their contributions on the basis of the recommendations above.

Rupert Clubb
Lead Officer
Transport for the South East
Purpose of Report

1. To report on the Transport for the South East draft Transport Strategy consultation\(^1\) and recommend a response. The consultation started on 10 October 2019 and runs until 10 January 2020.

Recommendation

2. The three goals around which the TfSE draft Transport Strategy is based align well with the objectives of Strategic Economic Plan and the locally-agreed Berkshire Local Industrial Strategy (BLIS).

3. You are therefore asked to endorse the response to the consultation, set out in Appendices 1 & 2.

Other Implications

Financial

4. The Berkshire Local Transport Body (BLTB) contributed £20,000 in 2017/18 and £58,000 in 2018/19 to Transport for the South East (TfSE). Each of the other (county) councils (having one vote each, the same as BLTB) was asked to contribute the same share.

5. In its role as Accountable Body (AB) for the BLTB, Slough Borough Council (SBC) collected contributions from BLTB members and passed the subscriptions to East Sussex County Council, the AB for TfSE.

6. A separate paper will be presented to seek agreement on the future, ongoing financial contribution from BLTB to TfSE.

Risk Management

7. There are limited risks for BLTB associated with TfSE’s draft Transport Strategy consultation process. It is a public process, and it is open to anyone and everyone to respond.

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\(^1\)https://transportforthesoutheast.org.uk/transport-strategy/
**Human Rights Act and Other Legal Implications**

8. Slough Borough Council will provide legal support for the BLTB, should any questions arise.

**Supporting Information**

9. On 10 October 2019, TfSE launched a consultation on its draft Transport Strategy. TfSE’s mission statement is:

> “By 2050, the South East of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step change in connectivity and environmental quality. A high-quality, reliable, safe and accessible transport network will offer seamless door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and giving our residents and visitors the highest quality of life.”

10. The purpose of the consultation is to seek the views of a wide range of stakeholders on the draft Transport Strategy. The aim is to ensure buy-in to the vision of the future set out in the Transport Strategy. The Transport Strategy, and supporting evidence are being made available to the public and all consultees, along with a consultation questionnaire. The consultation exercise is being publicised online, in the press and on social media, and is being supplemented by a series of engagement events.

11. At the end of the consultation period, Transport for the South East will produce a consultation report on the draft Transport Strategy, which will summarise an analysis of the responses and how the final version of the Transport Strategy should evolve to reflect feedback provided.

12. Following consideration of all feedback, the draft Transport Strategy will be revised, and a final version will be approved by the Shadow Partnership Board and published in spring 2020. This Strategy will be reviewed updated every five years, thereafter.

13. TfSE is planning to commission a set of studies to explore some of the themes outlined in the Strategy, including some that focus on corridors and journeys in the South East. These are likely to include (but not be limited to) the following:

   • Areas focussed studies, which will focus on groups of corridors: South Central Area; South East Area; and South West Area; Inner Orbital Area; Outer Orbital Area;
   • Freight Strategy and Action Plan;
   • Future Mobility Strategy;
   • Mobility as a Service; and
   • Smart and Integrated Ticketing.
Conclusion

14. Thames Valley Berkshire LEP supports TfSE as the Sub National Transport Body for the South East and the need to speak with one voice on strategic transport priorities.

15. The three goals around which the TfSE draft Transport Strategy is based:

- the economic imperative, to improve productivity and attract investment to grow our economy and better compete in a global marketplace
- the societal benefits of improving health, safety, wellbeing, quality of life and access of opportunities for everyone
- the environmental necessity to protect and enhance the South East's unique natural and historic environment

align strongly with the objectives of both the Strategic Economic Plan (SEP) and the locally agreed Berkshire Local Industrial Strategy (BLIS).

16. Once ratified by the BLTB, any agreed response to the consultation will need to be ratified by the LEP Board and LEP Forum.

Background Papers

17. TfSE’s Economic Connectivity Review identifies the role of strategic transport in supporting the South East and UK economy, makes the case for transport investment to increase productivity and identifies the severe impacts of not investing; and provides a platform from which to bring key partners together for the ongoing development of the Transport Strategy.
APPENDIX 1 – RESPONSE TO CONSULTATION ON THE TRANSPORT STRATEGY FOR THE SOUTH EAST

1. The LEP Strategic Economic Plan (SEP) 2014 and the emerging Berkshire Local Industrial Strategy (BLIS) both identify that good transport links are vital for continuing economic growth and the quality of people’s lives.

2. The same can be said for the wider South East, which is a powerful motor for national prosperity, adding more than £200 billion to the UK economy. It is home to 7.5 million people (9% of the UK total) and 4 million workers (13% of the UK workforce), employed by 330,000 companies. The TfSE Economic Connectivity Review (July 2018) identified the role of strategic transport connectivity in enabling economic growth through:
   - improving business to business connectivity
   - improving access to international gateways
   - growing labour market catchments
   - enabling development and
   - supporting deprived communities

   All these outputs closely align with the SEP and BLIS priorities.

3. It is within this context that Transport for the South East’s mission is to grow the South East’s economy by delivering a safe, sustainable, and integrated transport system that makes the area more productive and competitive, improves the quality of life for all residents, and protects and enhances its natural and built environment. TfSE’s ambition is to transform the quality of transport and door-to-door journeys for the South East’s residents, businesses and visitors.

4. The TfSE draft Transport Strategy is predicated on a “decide and provide” model rather than the traditional “predict and provide” standard. This means actively choosing a preferred future, with preferred transport outcomes as opposed to responding to existing trends and forecasts. It focuses on three strategic and sustainable goals:

   - **Economy**: Improve productivity and attract investment to grow our economy and better compete in the global marketplace.
   - **Environment**: Improve health, safety, wellbeing, quality of life, and access to opportunities for everyone.
   - **Society**: Protect and enhance the South East’s unique natural and historic environment.

This focus will help guide future TfSE policy development and investment decisions in the short, medium, and long-term. This Transport Strategy will be...
followed by several area studies which will identify the interventions needed to deliver the strategy.

5. The key principles that TfSE have applied in the development of their strategy resonate strongly with the emerging BLIS:
   • supporting sustainable economic growth, but not at any cost;
   • achieving environmental sustainability;
   • planning for successful places;
   • putting the user at the heart of the transport system; and
   • planning regionally for the short, medium and long term

6. The detailed Transport Strategy correctly highlights that radial routes in the South East predominantly run to/from London and that East-West links are limited. Further, TfSE rightly assess that even those routes that run to/from London and have had significant investment in recent years – such as the Great Western Mainline – are expected to come under increasing pressure as usage demand grows.

7. TfSE plan to commission further work around key route corridors across the South East – TVB LEP would strongly recommend that these studies include some of the major TVB road corridors, in particular the A33, A34, A329/A322 (M4 to M3) and the A4.

8. TVB LEP also welcomes the attempt by TfSE to engage with a future Journeys scenario. Whilst TfSE’s Vision is set to 2050 we appreciate the difficulties of predicting the future. However, TVB is ideally placed to be part of this assessment – as the acknowledged home of the UK’s digital technologies sector many of our local businesses are already engaged in piloting the future.

9. Additionally, with the coming of Crossrail to our area we support developments like smart ticketing to integrate journeys across a wide area and improve the experience of passengers.

10. Finally, TfSE needs to stay aligned with the South East’s travellers and businesses to establish a credible and achievable Transport Strategy which will bring clear benefits to all who rely on the area’s transport network. By supporting the economy of the South East, TfSE must:
    • Build on the advantages of the South East for inward investment
    • Promote access to international markets for trade
    • Enhance the role of the South East as a pivot for the wider national transport system
    • Facilitate the development of a more sustainable approach to connectivity in the South East
Appendix 2

TVB LEP response to Transport for the South East draft Transport Strategy consultation - November 2019

Draft Transport Strategy: consultation questionnaire

Have your say

If you would like to be added to our email database to receive regular updates from Transport for the South East, please tick the box below and supply your email address.

Please provide your email:
bill@thamesvalleyberkshire.co.uk

About you

Q1. Are you providing your own response or responding on behalf of an organisation/group? Please select one of the options below.

Responding on behalf of organisation/group (Please respond to Questions 3 and 4)

Q2. If you are responding as an individual, please provide your name and postcode below and then continue to Question 5.

Name  Bill Hicks
Postcode  RG41 3PG

Q3. If you are responding on behalf of an organisation or group, please provide the following details.

Organisation name  Thames Valley Berkshire LEP
Your name  Bill Hicks
Your role  Head of Infrastructure

Q4. Which category of organisation or group are you representing? Please select all the boxes that apply.

Local Government (includes county councils, district councils, parish and town councils and local partnerships)

Q5. Please confirm that you have read the draft Transport Strategy before completing this questionnaire? Please select as appropriate.
Q5. Please confirm that you have read the draft Transport Strategy before completing this questionnaire? Please select as appropriate.

I have read the full draft Transport Strategy.

Our Approach

Q6. Rather than the traditional transport planning approach of ‘predict and provide’ based on responding to trends and forecasts, we have adopted a ‘decide and provide’ approach to identify a preferred future for the South East in 2050. Please see Paragraphs 1.16 to 1.20 of the draft Transport Strategy for further information. To what extent do you agree or disagree with the use of this ‘decide and provide’ approach? Please select one option.

Strongly agree

Q7. The draft Transport Strategy advocates the evolution of transport policy away from one based on ‘planning for vehicles’ to one based on ‘planning for people’ and ‘planning for places’. Please see Paragraphs 1.21 to 1.25, and Figure 1.3, of the draft Transport Strategy for further information. To what extent do you agree or disagree that transport policy across the South East should evolve in this way? Please select one option.

Strongly agree

Q8. In Paragraphs 1.26 to 1.30 of the draft Transport Strategy, we explain our preferred future scenario: ‘Sustainable Route to Growth’. How important do you feel the key features of our 'Sustainable Route to Growth' scenario are for the future of the South East? Please select one option for each feature.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Very important</th>
<th>Fairly important</th>
<th>Neither important/unimportant</th>
<th>Fairly unimportant</th>
<th>Not important at all</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>The South East is less reliant on London and has developed its own successful economic hubs</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The benefits of emerging technology are being harnessed</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land-use and transport planning are better integrated</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A shift away from private cars towards more sustainable travel modes</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q8. In Paragraphs 1.26 to 1.30 of the draft Transport Strategy, we explain our preferred future scenario: ‘Sustainable Route to Growth’. How important do you feel the key features of our 'Sustainable Route to Growth' scenario are for the future of the South East? Please select one option for each feature.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted demand management measures, with more mobility being consumed on a ‘pay as you go basis’</td>
<td>X</td>
</tr>
<tr>
<td>The transport system delivers a cleaner, safer environment</td>
<td>X</td>
</tr>
</tbody>
</table>

Our Area

Q10. Chapter 2 of the draft Transport Strategy summarises the characteristics, challenges and opportunities in the South East. To what extent do you agree or disagree that the evidence set out in Chapter 2 of the draft Transport Strategy makes a strong case for continued investment in the South East’s transport system? Please select one option.

- Strongly agree

Q11. Please use the space below to provide any other comments you may have about the information set out in Chapter 2, or any additional evidence that you think should be included. Please describe these below.

Although clearly referenced in the report, we would want to emphasize to TfSE the economic importance of London Heathrow Airport to our sub region (Berkshire) and reiterate that whilst technically not in the TfSE area, it is key for TfSE to maintain a dialogue with its relevant partners to stay informed of developments on and off airport. Additionally, we continue to look towards TfSE to support the progress on the Western Rail Link to Heathrow, which not only has a compelling economic/business case, but which also stands alone as a major carbon-reducing sustainable transport scheme.

Our Vision, Goals and Priorities

Q12. Our vision is that: ‘By 2050, the South East of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step-change in connectivity and environmental quality. ‘A high-quality, reliable, safe and accessible transport network will offer seamless door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and give our residents and visitors the highest quality of life.’ To what extent do you support or oppose our vision for the South East? Please select one option.

- Strongly support

Q13. Do you have any further comments on our vision? Please provide these below.

These same principles are writ large in the emerging Berkshire Local Industrial Strategy - in particular a commitment to responsible economic growth. Further, the urgency with which carbon emissions need to be reduced means that we must respond to the environmental implications of our growth processes. This is challenging. Most obviously, whilst we must harness the
Q13. Do you have any further comments on our vision? Please provide these below.

advantages associated with proximity to Heathrow Airport, we need to do this in a way that delivers environmental gains as well as economic benefits.

Q14. The draft Transport Strategy sets out three strategic goals that underpin our vision. These goals will help to translate the vision into more targeted and tangible actions. Please see Paragraphs 3.3 to 3.7 for more details on our vision and goals. To what extent do you agree or disagree with the goals set out within the draft Transport Strategy? Please select one option for each goal.

<table>
<thead>
<tr>
<th>Goal</th>
<th>Strongly agree</th>
<th>Tend to agree</th>
<th>Neither agree nor disagree</th>
<th>Tend to disagree</th>
<th>Strongly disagree</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve productivity and attract investment to grow our economy and better compete in the global marketplace</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve health, safety, wellbeing, quality of life, and access to opportunities for everyone</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protect and enhance the South East's unique natural, built and historic environment, and tackle climate change together</td>
<td>X</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Q15. Under each of the three goals, we set out a number of specific economic, social and environmental priorities. Further information on these priorities can be found in Paragraphs 3.8 to 3.10 of the draft Transport Strategy. To what extent do you agree or disagree that these are priorities which the Transport Strategy should aim to achieve? Please select one option for each row.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Strongly agree</th>
<th>Tend to agree</th>
<th>Neither agree nor disagree</th>
<th>Tend to disagree</th>
<th>Strongly disagree</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better connectivity between our major economic hubs, international gateways and their markets</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More reliable journeys between the South East’s major economic hubs and international gateways</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A more resilient transport network to incidents, extreme weather and the impacts of a changing climate</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Helping our partners meet future housing, employment and regeneration needs sustainably</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of digital technology to manage transport demand, encourage shared and efficient use of transport</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q15. Under each of the three goals, we set out a number of specific economic, social and environmental priorities. Further information on these priorities can be found in Paragraphs 3.8 to 3.10 of the draft Transport Strategy. To what extent do you agree or disagree that these are priorities which the Transport Strategy should aim to achieve? Please select one option for each row.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>A network that promotes active travel and active lifestyles</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Improved air quality through initiatives to reduce congestion and encourage shifts to public transport</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>An affordable, accessible transport network for all that promotes social inclusion and reduces barriers</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>An affordable, accessible transport network for all that promotes social inclusion and reduces barriers</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A seamless, integrated transport network with passengers at its heart</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A safely planned, delivered and operated transport network</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A reduction in carbon emissions to net zero by 2050</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A reduction in the need to travel, particularly by private car</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A transport network that protects and enhances our natural, built and historic environments</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Use of the principle of ‘biodiversity net gain’ in all transport initiatives</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Minimisation of transport’s consumption of resources and energy</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Q16. Are there any other economic, social and/or environmental priorities which you feel the Transport Strategy should aim to achieve? Please describe these below.

Per earlier comments.

Q17. The draft Transport Strategy sets out a number of principles that are used to identify the key transport issues and opportunities in the South East (see Paragraphs 3.11 to 3.38 of the draft Transport Strategy for more information). To what extent do you support or oppose these principles? Please tick one box for each principle.

<table>
<thead>
<tr>
<th>Principle</th>
<th>Strongly support</th>
<th>Tend to support</th>
<th>Neither support / oppose</th>
<th>Tend to oppose</th>
<th>Strongly oppose</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting sustainable economic growth, but not at any cost</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Q17. The draft Transport Strategy sets out a number of principles that are used to identify the key transport issues and opportunities in the South East (see Paragraphs 3.11 to 3.38 of the draft Transport Strategy for more information). To what extent do you support or oppose these principles? Please tick one box for each principle.

<table>
<thead>
<tr>
<th>Principle</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieving environmental sustainability</td>
<td>X</td>
</tr>
<tr>
<td>Planning for successful places</td>
<td>X</td>
</tr>
<tr>
<td>Putting the user at the heart of the transport system</td>
<td>X</td>
</tr>
<tr>
<td>Planning regionally for the short, medium and long-term</td>
<td>X</td>
</tr>
</tbody>
</table>

Our Strategy

Q18. Six key journey types are identified within Chapter 4 of the draft Transport Strategy. We identify the key challenges and opportunities for each of the six journey types, and indicate the types of schemes and policy responses that will be needed to address these challenges. Subsequent area studies will be used to identify comprehensive packages of initiatives. We are not seeking detailed feedback on individual schemes at this stage, but we want to make sure we have identified the key challenges and the broad types of responses that will be needed for each of the movement types. To what extent do you agree or disagree that the key challenges relating to each of the journey types have been correctly identified? Please select one option for each journey type.

<table>
<thead>
<tr>
<th>Journey Type</th>
<th>Strongly agree</th>
<th>Tend to agree</th>
<th>Neither agree nor disagree</th>
<th>Tend to disagree</th>
<th>Strongly disagree</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radial journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orbital and coastal journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-urban journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International gateways and freight journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future journeys</td>
<td>X</td>
<td></td>
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</tbody>
</table>

Q20. To what extent do you agree or disagree with the initiatives we have outlined to address the challenges that have been identified for each journey type? Please select one option for each journey type.

<table>
<thead>
<tr>
<th>Journey Type</th>
<th>Strongly agree</th>
<th>Tend to agree</th>
<th>Neither agree nor disagree</th>
<th>Tend to disagree</th>
<th>Strongly disagree</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radial journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orbital and coastal journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-urban journeys</td>
<td>X</td>
<td></td>
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<tr>
<td>Local journeys</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International gateways</td>
<td>X</td>
<td></td>
<td></td>
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</tbody>
</table>
Q20. To what extent do you agree or disagree with the initiatives we have outlined to address the challenges that have been identified for each journey type? Please select one option for each journey type.

<table>
<thead>
<tr>
<th>Journey Type</th>
<th>Agree</th>
<th>Tend to Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Tend to Disagree</th>
<th>Strongly Disagree</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>and freight journeys</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Future journeys</td>
<td>X</td>
<td></td>
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</tbody>
</table>

**Implementation**

Q22. In Chapter 5 of the draft Transport Strategy, a number of performance indicators are set out that will be used to monitor progress of the Strategy. To what extent do you agree or disagree with these performance indicators? Please select one option for each performance indicator group.

<table>
<thead>
<tr>
<th>Performance Indicator Group</th>
<th>Strongly Agree</th>
<th>Tend to Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Tend to Disagree</th>
<th>Strongly Disagree</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic performance indicators</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social performance indicators</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental performance indicators</td>
<td>X</td>
<td></td>
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</tbody>
</table>

Q23. Chapter 5 of the draft Transport Strategy also sets out how the Strategy will be implemented, including Transport for the South East’s role and future funding challenges. Do you have any comments about the implementation of the Strategy including the performance indicators, our role and/or future funding challenges? Please describe these below.

TVB LEP welcome TfSE’s plan to commission further work around key route corridors across the South East and strongly recommend that these corridor studies include some of the major TVB road corridors, in particular the A33, A34, A329/A322 (M4 to M3) and the A4.

**Integrated Sustainability Appraisal**

Q24. To what extent do you agree or disagree that the Integrated Sustainability Appraisal represents a thorough assessment of the draft Transport Strategy? Please select one option only.

Strongly agree

Q25. Do you have any additional comments regarding the Integrated Sustainability Appraisal? Please describe these below.

No.

**Overall views**
Q26. To what extent do you agree or disagree that the draft Transport Strategy provides the mechanism that will enable Transport for the South East to achieve our mission of growing the South East’s economy by delivering a safe, sustainable and integrated transport system that makes the region more productive and competitive, improves the quality of life for all residents and protects and enhances its natural and built environment? Please select one option only.

Strongly agree

Q27. Are there any additional comments that you would like to make that are relevant to this consultation on the draft Transport Strategy for the South East? Please describe these below.

TVB LEP is aiming to publish its finalised Local Industrial Strategy in the coming month. Along with the other five LEPs in TfSE we would recommend that the focus and outputs from the five LISs be as intrinsically incorporated into the TfSE Transport Strategy as possible.
### 12th March 2020

**Deadline for final reports:**  
2nd March  

**Agenda published:**  
4th March

- Financial approval for GWR 2.33 Maidenhead to Marlow Branch Line upgrade
- Financial approval for Wokingham 2.36: Coppid Beech Park and Ride
- Financial approval for Wokingham 2.39: Coppid Beech Northbound on-slip widening
- Financial approval for West Berkshire 2.38: Theale Station Upgrade
- Financial approval for RBWM: 2.40 Windsor Town Centre Package
- One-year-on Impact report for 2.02 Bracknell: Warfield Link Road
- One-year-on Impact report for 2.09.2 Sustainable Transport: A4 Cycle (SBC)
- One-year-on Impact report for 2.08 Slough Rapid Transit phase 1
- Progress reports
- Forward Plan

### 16th July 2020

**Deadline for final reports:**  
6th July  

**Agenda published:**  
8th July

- One-year-on Impact report for 2.22 Slough: Burnham Station Access Improvements (tbc)
- One-year-on Impact report for 2.15 Bracknell: Martins Heron roundabout
- Progress reports
- Forward Plan
<table>
<thead>
<tr>
<th>12th November 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deadline for final reports:</strong></td>
</tr>
<tr>
<td>2nd November</td>
</tr>
<tr>
<td><strong>Agenda published:</strong></td>
</tr>
<tr>
<td>4th November</td>
</tr>
<tr>
<td>- One-year-on Impact report for 2.10 Slough: A322 Improvements</td>
</tr>
<tr>
<td>- One-year-on Impact report for 2.11 and 2.12 Reading: Phase 1 &amp; 2 South Reading MRT</td>
</tr>
<tr>
<td>- Progress reports</td>
</tr>
<tr>
<td>- Forward Plan</td>
</tr>
</tbody>
</table>