

## BERKSHIRE LOCAL TRANSPORT BOARD

**REPORT TO:** Board

**DATE:** 18<sup>th</sup> July 2013

**CONTACT OFFICER:** Ruth Bagley, Chief Executive Slough Borough Council, lead  
Chief Executive to the Board

### **PART I FOR DECISION**

#### **ASSESSMENT OF BIDS AND PRIORITISATION**

##### **Purpose of Report**

1. At the inaugural meeting of the Berkshire Local Transport Body, held on 14 March 2013, you adopted the Founding Document. This had been prepared in accordance with the DfT guidelines for Assurance Frameworks.
2. Paragraph 11 of the Founding Document says:  
  
“11. Development of Scheme Programme (Guidance Paragraphs 36-46): BLTB will develop a methodology for the prioritisation of schemes using at least the following criteria (or suitable proxies):  
Maximum strategic impact  
Economic impact  
Value for money  
Deliverability  
Environmental impact  
Social/distributional impact”
3. Elsewhere on this agenda is a report recommending a Prioritisation Methodology for adoption. This report describes the application of that proposed methodology to the 28 schemes which were submitted for consideration by the six local transport authorities before the deadline of 31 May 2013.
4. The detailed scores from the application of the prioritisation methodology is given at Appendix A. The individual scheme pro-formas are available at <http://thamesvalleyberkshire.co.uk/support-centre/downloads/?category=26> on the Thames Valley Berkshire LEP website

##### **Recommendation**

The Board is requested to:

5. Approve the following schemes ranked 1<sup>st</sup> to 5<sup>th</sup> for programme entry

Rank	Scheme Promoter and No.	Short Name
1	West Berkshire - 1	Kings Road Link Road: Supporting successful industry – enabling Newbury's growth
2	Reading - 1	Reading GreenPark Railway Station
3	Reading - 3 (with Wokingham)	Eastern Thames Valley Mass Rapid Transit
4	Bracknell Forest - 1	Coral Reef Roundabout

Rank	Scheme Promoter and No.	Short Name
5=	Slough -1	Slough to Heathrow Mass Rapid Transit: Western Section (Slough Trading Estate to Three Tuns)
5=	Slough - 2	Slough to Heathrow Mass Rapid Transit: Central Section (Three Tuns to Brands Hill)
5=	Wokingham - 4	South Wokingham Distributor Road
5=	Wokingham - 2	North Wokingham Full Northern Distributor Road

6. Refer three very large schemes to the LEP Strategic Infrastructure Process

	Scheme Promoter	Short Name
	Reading - 2	Southern Thames Valley Mass Rapid Transit
	Reading – 4 (with Wokingham and Bracknell Forest)	South Eastern Thames Valley Mass Rapid Transit
	Reading - 9 (with Wokingham)	Third Thames Crossing

7. Refer back all the other schemes and invite the scheme promoters to continue to develop and improve the proposals

8. Ask the Officers to conduct a review of the first use of the Prioritisation Methodology and bring back further proposals for its refinement later in the year.

## Other Implications

### Financial

9. Department for Transport funding for major schemes will be entirely allocated through Local Transport Bodies. There is no financial implication of this report. However, the implication of a scheme reaching Programme Entry stage is that its promoter will begin detailed preparations with a view to bring the scheme back to the BLTB for funding approval in due course.

10. The Local Major scheme funding for 2015-19 has been announced as £22m – however this is a provisional figure, and we are awaiting final written confirmation following the Comprehensive Spending Review announcements at the end of June. It will be noted that the combined value of the 9 schemes recommended for Programme Entry stage is over £63m. The Berkshire Strategic Transport Forum will now consider the detail of how schemes are processed from Programme Entry stage up to Financial Approval.

### Risk Management

Risk	Mitigating action	Opportunities
<u>Legal</u> BLTB decisions or schemes challenged	Accountable Authority ensures decisions adhere to Assurance Framework and Addendum, and maintains records	Ensure good value for money and transparent decision making

<u>Financial</u> The Prioritisation Methodology is not followed, and funding will not be released for major schemes	Accountable body ensures adherence with it.	Major scheme funding pooled across Berkshire to support transport schemes which deliver regional benefits
<u>Timetable for delivery</u> Deadline for submission of Prioritised Schemes (end July 2013) is missed	Members have proper regard for the application of the prioritisation methodology when deciding which schemes to approve at programme entry stage.	Release of devolved funds to BLTB and allocation to a number of prioritised schemes

### Human Rights Act and Other Legal Implications

11. It is important that the decisions about scheme prioritisation are taken in accordance with the approved methodology, and that other irrelevant considerations are disregarded.

### **Supporting Information**

12. The 28 schemes which were submitted by the deadline of 31 May 2013 were considered independently by Richard Tyndall, who is retained by the Local Enterprise Partnership. He produced a first draft of the assessment against version six of the prioritisation methodology.
13. Each of the scheme promoters was then shown the first draft of the scoring, and invited to discuss any errors, omissions or misinterpretations with Richard Tyndall. The purpose of this quality control exercise was to ensure that each scheme was being judged on its real merits, rather than a misapprehension.
14. The Berkshire Strategic Transport (Officers) Forum has met twice to moderate and discuss the application of the Prioritisation Methodology. On the first occasion, officials from the DfT and Network Rail were also present to add their knowledge and advice.
15. The final scoring and prioritisation that is attached to this report, and recommended to you for approval, has the support of the Berkshire Strategic Transport (Officers) Forum.
16. The Prioritisation Methodology calls for “over-programming” of schemes at Programme Entry stage to level of at least 200% of the available funds. In the event, this has risen to nearly 300% because of the decision to include at Programme Entry all schemes with same priority ranking as a scheme which is at the cut-off point of 200% of available funding.

### **Progress to date**

17. The process followed has been an iterative: as this is the first use of a newly designed methodology, there has been considerable flexibility shown by all parties. We have worked together to ensure that there are no perverse outcomes and that all parties feel that there has been a fair, moderated and transparent process applied in reaching the recommendations for schemes to be entered into the programme.

18. Matching Funds: the original wording of the criterion for matched funding was that contributions should be “secure”. The reality is that whilst funding may be provisionally allocated, or even approved subject to certain conditions, it is not practical to apply the “secure” test literally. It was recognised that beyond programme entry stage, schemes which hoped to progress to funding approval would have to pass a secure matched funding test in due course. Therefore at scheme entry stage it was agreed to relax the test from a “secure” standard to “planned” funding contributions.
19. There were three very large schemes (see recommendation at paragraph 6 above) which are suitable for consideration in the LEP’s Strategic Infrastructure Process. There was one small scheme ([Bracknell Forest – 2 Martin’s Heron Roundabout](#)) which was referred back because it fell below the minimum scheme threshold of £1.5m gross cost.
20. Economic Impact: there was considerable debate about the application of this factor. The preliminary scoring had been conducted against a particular interpretation: it was explained that this factor had been used to award points according to the extent to which the transport investment unlocked or triggered other investments in development sites directly associated with the transport scheme. This particular interpretation supports the Local Enterprise Partnership’s ambition to promote economic growth in Thames Valley Berkshire, and to prioritise public investment in schemes which have a strong “multiplier” effect.
21. However, It was argued that transport schemes designed to increase network capacity in congested areas, which would have major economic impacts should be eligible for a medium or high rating. There was a general acceptance that to be given a high rating for this factor it was necessary to demonstrate a substantial impact from a directly associated development, and that this should be expressed in terms of floor space, jobs, houses or other evidence. The wording of the methodology recommended for adoption elsewhere on this agenda includes the possibility of a medium score for indirect economic impacts.
22. Value for Money: it was noted that not all scheme promoters had produced detailed calculations of Benefit-Cost Ratio (BCR) scores. This was partly a timing issue – the preparation of BCR scores is a technical process that requires some care and preparation. From those scores that were submitted, 6 out of 7 returned a “high” rating. We will be reviewing this factor in detail to see if it can be redefined to produce a better differentiation of good and better value for money in schemes.
23. There were other less significant teething troubles with the understanding and application of other factors, and we are proposing a comprehensive review of the methodology in the autumn.

## **Conclusion**

24. In order to access devolved major scheme funding, Local Enterprise Partnership areas must form Local Transport Bodies in partnership with Local Authorities. Berkshire Local Transport Body is analogous with the boundaries of TVB LEP and the six Berkshire authorities, and has established an Assurance Framework based on Department for Transport guidance. The Assurance Framework commits the BLTB to establishing a Prioritisation Methodology and this has been used to produce a list prioritised list of the 28 schemes submitted for consideration.

**Appendices Attached**

'A' – Scoring table for the submitted schemes

**Background Papers**

The individual scheme pro-formas are available at

<http://thamesvalleyberkshire.co.uk/support-centre/downloads/?category=26> on the Thames Valley Berkshire LEP website.

Appendix A: Detailed Scores for Berkshire Local Transport Body Scheme Prioritisation July 2013

Scheme Promoter	Short Title	Short Description	Scheme Cost	BLTB Contribution Sought	Max strategic Impact	Economic Impact	VFM	Ease of Deliverability	Matched Funding	Environmental	Social	Total	Rank	Cumulative BLTB Value
			£000k	£000k	x2	x2	x1.5	x1.5	x1	x1	x1			£k
West Berkshire - 1	<a href="#">Kings Road Link Road: Supporting successful industry – enabling Newbury’s growth</a>	New direct link between the Hambridge Road industrial area and the A339 in Newbury to support housing delivery and significantly improve access to a key employment area	2,935	2,335	6	6	4.5	4.5	2	3	2	28	1	2,335
Reading - 1	<a href="#">Reading GreenPark Railway Station</a>	Reading GreenPark Railway Station on the Reading to Basingstoke railway line	8,000	6,400	6	6	4.5	4.5	2	2	2	27	2	8,735
Reading - 3 (with Wokingham)	<a href="#">Eastern Thames Valley Mass Rapid Transit</a>	Thames Valley Mass Rapid Transit (TVMRT) system between Reading and Thames Valley Park (and TVP Park & Ride)	22,900	18,300	6	4	4.5	3	2	2	2	23.5	3	27,035
Bracknell Forest - 1	<a href="#">Coral Reef Roundabout</a>	Junction improvements at Coral Reef roundabout forming part of the overall improvements to the A322/A329 corridor and improving links between M3 and M4	3,000	2,100	6	4	4.5	4.5	2	1	1	23	4	29,135
Slough -1	<a href="#">Slough to Heathrow Mass Rapid Transit: Western Section (Slough Trading Estate to Three Tuns)</a>	Provision of segregated bus lanes along the A4 corridor to serve Slough Trading Estate and support the development of a mass rapid transit connection between Slough and Heathrow	4,750	3,250	6	6	1.5	3	2	2	2	22.5	5	32,385
Slough - 1	<a href="#">Slough to Heathrow Mass Rapid Transit: Central Section (Three Tuns to Brands Hill)</a>	Scheme to provide a series of bus priority measures along the A4 corridor in central Slough to support the development of a mass rapid transit connection between Slough and Heathrow	4,290	2,310	6	6	1.5	3	2	2	2	22.5	5	34,695
Wokingham - 4	<a href="#">South Wokingham Distributor Road</a>	Provision of a new road south of Wokingham Town Centre to function as a distributor road for the South Wokingham Strategic Development Area and provide an alternative route around the Town Centre to the south	20,000	14,000	6	6	1.5	3	2	2	2	22.5	5	48,695
Wokingham - 2	<a href="#">North Wokingham Full Northern Distributor Road</a>	Provision of a new road north of Wokingham Town Centre to function as a distributor road for the North Wokingham Strategic Development Area and provide an alternative route around the Town Centre	20,627	14,439	6	6	1.5	3	2	2	2	22.5	5	63,134
Slough - 6	<a href="#">A355 Route Enhancement</a>	Scheme to improve traffic flow on the strategic north-south A355 route between the M4, Slough Trading Estate and the M40 and enhancing access to Slough town centre.	3,200	2,100	6	4	1.5	4.5	2	2	2	22	9	65,234

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			Scheme Cost	BLTB Contribution Sought	Max strategic Impact	Economic Impact	VFM	Ease of Deliverability	Matched Funding	Environmental	Social	Total	Rank	Cumulative BLTB Value
West Berkshire - 2	<a href="#">A339, Newbury: Improvements unlocking commercial redevelopment</a>	The scheme facilitates access to a regeneration site via a new junction on the A339. It provides additional capacity on the A339 through widening a 300m stretch of the northbound carriageway	2,440	1,952	4	6	1.5	4.5	2	2	2	22	9	67,186
Reading - 5 (with Wokingham)	<a href="#">Park &amp; Ride West of Thames Valley Park (Broken Brow)</a>	Park & Ride on the Broken Brow site, accessed from the A3290/Thames Valley Park Drive roundabout	3,600	2,900	6	4	4.5	1.5	2	2	2	22	9	70,086
Windsor and Maidenhead - 1	<a href="#">Stafferton Way Multi-Storey Car Park</a>	A new multi-storey car park with up to 1,000 spaces to provide additional car parking to serve Maidenhead Station and town centre	6,000	4,750	6	6	1.5	3	2	2	1	21.5	12	74,836
Wokingham - 6	<a href="#">Finchampstead Road Bridges</a>	Replacement of two rail bridges with slender bridge decks and altered highway alignments to improve the passage of high sided vehicles and improve the facilities for pedestrians and cyclists	8,130	5,691	6	6	1.5	3	2	2	1	21.5	12	80,527
Wokingham - 1	<a href="#">Arborfield Bypass</a>	A new road and associated works to bypass Arborfield Village and provide capacity improvements along the A327	22,600	15,820	6	6	1.5	1.5	2	2	2	21	14	96,347
Reading - 7 (with Wokingham)	<a href="#">A4 Eastern Gateway Pinch Point Scheme</a>	Package of measures to reduce congestion and improve journey time reliability along the A4 into and out of central Reading, the primary gateway to Reading from the east.	1,546	1,082	6	4	1.5	3	2	2	2	20.5	15	97,429
Wokingham - 5	<a href="#">Winnersh Relief Road phase 2</a>	New highway construction completing the Full Winnersh Relief Road linking with Winnersh Relief Road Phase 1 (Kings Street Lane) to a new junction on the A329 near Woodward Close	2,041	1,429	4	6	1.5	3	2	2	2	20.5	15	98,858
Slough - 4	<a href="#">A332 Route Enhancement: Northern section</a>	Scheme to enhance the northern section of the A332 Windsor Road to increase traffic capacity and provide better facilities for buses, pedestrians and cyclists.	1,940	1,270	4	6	1.5	3	2	2	2	20.5	15	108,828
Slough - 5	<a href="#">A332 Route Enhancement: Southern section</a>	Scheme to enhance the southern section of the A332 Windsor Road to increase traffic capacity and provide better facilities for buses, pedestrians and cyclists.	3,060	1,430	4	4	1.5	3	3	2	2	19.5	18	100,288
Slough - 3	<a href="#">Slough to Heathrow Mass Rapid Transit: Eastern Section</a>	Provision of a segregated bus lane along the A4 Colbrook Bypass to support the development of a mass rapid transit connection between Slough and Heathrow.	3,120	1,720	6	4	1.5	1.5	2	2	2	19	19	102,008

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			Scheme Cost	BLTB Contribution Sought	Max strategic Impact	Economic Impact	VFM	Ease of Deliverability	Matched Funding	Environmental	Social	Total	Rank	Cumulative BLTB Value
Slough - 7	<a href="#">Chalvey Rail Station</a>	New halt on Slough- Windsor Town branch rail line to serve Chalvey. Single face platform with access ramp, lighting, shelter, CCTV, information point, automated ticket machines and drop off point.	2,100	1,600	6	4	1.5	1.5	2	1	2	18	20	103,608
Wokingham - 3	<a href="#">Lower Earley Way Highway Improvements</a>	Capacity Improvements along the B3270 corridor (Lower Earley Way) which runs parallel to the M4 between junction 10 and junction 11	5,643	3,950	6	2	1.5	3	2	1	1	16.5	21	107,558
Windsor and Maidenhead - 2	<a href="#">Pedestrian and Cycle Bridge to Dorney Lake</a>	Pedestrian and cycle bridge between West Windsor and Dorney Lake	6,000	4,750	4	2	1.5	3	2	1	2	15.5	22	113,578
Reading - 6	<a href="#">Northern Reading Park &amp; Ride</a>	Park & Ride site to the north of Reading, accessed from A4155 Henley Road	5,500	4,950	4	2	1.5	1.5	2	1	2	14	23	118,528
Reading - 8	<a href="#">Kennetside Retaining Wall Maintenance Scheme</a>	Scheme to deliver a long term solution to the continued deterioration of the Kennetside Retaining Wall which forms a key link in the National Cycle Network and key pedestrian route	7,700	6,900	4	2	1.5	1.5	1	1	2	13	24	125,428

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