

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 19 November 2015

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

PART I

Financial Approval 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements

Purpose of Report

1. To consider giving financial approval to scheme 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements.
2. The scheme aims to bring forward transport infrastructure improvements linked to the town centre regeneration, and compliment them further with behaviour change initiatives. Crucially, leading stakeholders in the town centre regeneration, which is now under construction, have given a strong indication that securing this funding will reduce the joint financial burden, kick-start the development and deliver at least 3,540 retail and leisure jobs for local people.

Recommendation

3. You are recommended to give scheme 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements conditional financial approval in the sum of £2,000,000 in 2015-16 on the terms of the funding agreement set out at paragraph 14 step 5 below.
4. The condition that will have to be met in order to gain full financial approval is that the independent assessor is satisfied that the following elements of a fully compliant Full Business Case have EITHER been supplied OR a properly documented reason for their absence has been supplied
 - i) Linsig Junction Assessments: an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations
 - ii) Future Year Modelling: an explanation of the choice of future years used, the calculations employed and the derivation of future traffic flows
 - iii) Interpeak Modelling: an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations
 - iv) WebTAG Dependent Development Unit: an explanation of the way this unit has been applied to the North section of the town centre redevelopment, the access to the new car park, and the new signalised junction on Millennium Way.

- v) Health Economic Assessment Tool (HEAT): an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations
- vi) Station Way Signalisation: Information on the surveys and validation of the Linsig at this junction.
- vii) Low and High Growth scenarios: an explanation of how these have been analysed, the assumptions made, the validation used and the mitigation of any shortcomings.
- viii) Air quality and noise assessments: an explanation of the evidence presented, the assumptions made, the validation used and the mitigation of any limitations.

Other Implications

Financial

5. Scheme 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements is a named scheme in the [Thames Valley Berkshire Local Growth Deal 2ⁱ](#) announced in January 2015.
6. 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.
7. The funding agreement set out at paragraph 14 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

8. The risk management arrangements already put in place by the Local Transport Body are as follows:
 - The [Assurance Frameworkⁱⁱ](#) has been drafted following DfT guidance and has been approved by the DfT for use in allocating capital funds for transport schemes
 - White Young Green (WYG) 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 14, 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

9. 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

10. The scheme will be carried out for Bracknell Forest Council. However, these highway improvements and enhancements are an integral part of the major regeneration project currently taking place in Bracknell Town Centre.
11. The highway improvements making up this scheme are all changes that have become necessary following the long awaited decision to proceed with the overall project. As such, their provenance and their purpose is in support of the redevelopment project, rather than as pure highway schemes. This is the explanation for the long list of conditional items attaching to the recommendation in this report: the evolution and justification of the elements of the project has been driven by design and development considerations rather than the need to improve the highway network. Indeed, the long gestation period for the Town Centre redevelopment, including 18 months demolition followed by 24 months build period has meant that finding meaningful data about “do nothing” options has been a challenge, and forecasting the future state of traffic flows is a difficult task for conventional models.
12. Despite the difficulties of producing a Full Business Case that is WebTAG compliant, the independent assessor is confident that this is a sound scheme and is likely to represent a value for money investment of public funds.
13. The full details of the scheme are available from the [Bracknell Forest website](#)ⁱⁱⁱ. A summary of the key points is given below:

| Task | Timescale |
|------------------------|---|
| Detailed design update | March 2015 |
| Procurement | Via s.278 Development Agreement |
| Contractor appointed | As above |
| Construction | Main Town Centre Regeneration Works began in April 2015 |
| Open to public | April 2017 |

| Activity | Funder | Cost (approx) |
|--------------------------|--------------------------------|----------------|
| Scheme development | Bracknell Forest Council | |
| Major scheme funding | Berkshire Local Transport Body | £2.000m |
| Bracknell Forest funding | Capital programme | £4.382m |
| Total | | £6.382m |

14. The table below sets out the details of this scheme’s compliance with steps 1-5 of paragraph 14 of [the full Assurance Framework](#)^{iv}.

| Assurance Framework Check list | 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements |
|--------------------------------|---|
| | The scheme was originally developed by Bracknell Forest Council as |

| Assurance Framework Check list | 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements | | | |
|--|--|------------------|------------------|-----------------------|
| | <p>part of a much larger development agreement covering the comprehensive redevelopment of Bracknell Town Centre. This is a £250m regeneration scheme completely modernising the retail core of the town.</p> <p>The scheme was submitted for inclusion in Growth Deal 2. The SEP assessment process was used and the scheme was given 25.5 points and ranked equal 13th of 41 schemes submitted in GD 1 and 2 combined.</p> | | | |
| | Factor | Raw score | Weighting | Weighted score |
| | Strategy | 3 | 1.5 | 4.5 |
| | Deliverability | 2 | 2 | 4 |
| | Economic Impact | 3 | 4 | 12 |
| | TVB area coverage | 2 | 1.5 | 3 |
| | Environment | 2 | 0.5 | 1 |
| | Social | 2 | 0.5 | 1 |
| | Total | | | 25.5 |
| <p>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)</p> | <p>Programme Entry status was given by the BLTB on 19 March 2015^v (minute 28a refers). The progress of the scheme was reported to the BLTB meeting held on 16 July 2015^{vi}.</p> <p>The Bracknell Forest BC website^{vii} holds the latest details of the full business case, including the VfM statement certified by the senior responsible officer.</p> <p>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.</p> <p>The report of the Independent Assessor is attached at Appendix 1. The Independent Assessor was asked to report as follows:</p> <ul style="list-style-type: none"> • 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 | | | |

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| | further data, sensitivity tests on particular assumptions etc. |
| Step 3: Conditional Approval | The Independent Assessor has recommended that in this case a Conditional Approval is appropriate. |
| Step 4: Recommendation of Financial Approval - High Value for Money - Support of the Independent assessor | <p>The scheme has a Benefit- Cost Ratio (BCR) of 3.651 DfT has set thresholds of 2.00 (High VfM) and 4.00 (Very High VfM) and schemes with BCRs above these thresholds can be described as having High or Very High Value for Money.</p> <p>As noted above the scheme has the conditional support of the Independent Assessor.</p> <p>The recommendation is that you give the scheme Approval subject to the independent assessor being satisfied that the following elements of a fully compliant FBC have EITHER been supplied OR a properly documented reason for their absence has been supplied</p> <p>i) Linsig Junction Assessments: an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations ii) Future Year Modelling: an explanation of the choice of future years used, the calculations employed and the derivation of future traffic flows iii) Interpeak Modelling: an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations iv) WebTAG Dependent Development Unit: an explanation of the way this unit has been applied to the North section of the town centre redevelopment, the access to the new car park, and the new signalised junction on Millennium Way. v) Health Economic Assessment Tool (HEAT): an explanation of the application of this technique, the assumptions made, the validation used and the mitigation of any limitations vi) Station Way Signalisation: Information on the surveys and validation of the Linsig at this junction. vii) Low and High Growth scenarios: an explanation of how these have been analysed, the assumptions made, the validation used and the mitigation of any shortcomings. viii) Air quality and noise assessments: an explanation of the evidence presented, the assumptions made, the validation used and the mitigation of any limitations.</p> |
| Step 5: Formal Agreement - roles - responsibilities - reporting - auditing - timing and triggers for payments, - contributions from other | <p>Roles: The BLTB is a part funder of the scheme. Bracknell Forest Council is the scheme promoter, and is the relevant highway and planning authority.</p> <p>Responsibilities: The BLTB is responsible for allocating the capital finance in accordance with the Assurance Framework. Bracknell Forest Council is responsible for all aspects of the design, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, and any other statutory duties.</p> <p>Reporting: In addition to any reporting requirements within Bracknell</p> |

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| <p>fundings,</p> <ul style="list-style-type: none"> - consequences of delay, - consequences of failure, - claw back, - evaluation one and five years on | <p>Forest Council, the scheme promoter will also make summary reports on progress to each meeting of the BLTB until the scheme reaches practical completion. 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.</p> <p>Auditing: If and when the DfT or Slough Borough Council (acting as accountable body for the BLTB) requests access to financial or other records for the purposes of an audit of the accounts, Bracknell Forest Council will cooperate fully.</p> <p>Timing and Triggers for payments: Bracknell Forest Council will submit an annual invoice for each financial year together with a certificate of work completed. Slough Borough Council (acting as accountable body for the BLTB) will satisfy itself of the correctness of the certificate before paying the invoice.</p> <p>Contributions from Other Funders: there will be £740,000 of s.106 contributions secured by Bracknell Forest Council in 2016/17 and a further £380,000 in 2017/18.</p> <p>Consequences of Delay: In the event that the scheme experiences minor delays to its 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 programme (11 weeks or longer) Bracknell Forest Council will be required to seek permission from BLTB to reschedule any payments that are due, or may be delayed in falling due because of the delay to the programme.</p> <p>Consequences of Failure: As soon as it becomes apparent to Bracknell Forest Council that it will not be possible to deliver the scheme at all, written notice shall be given to Slough Borough Council (acting as accountable body for the BLTB). 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.</p> <p>Claw back: If the overall scheme achieves savings against budget, these savings will be shared by the BLTB and the other funders noted above in proportion to the amounts committed to the original budget. Slough Borough Council (acting as accountable body for the BLTB) reserves the right to claw back any such savings amounts, and any repayments due as a consequence of scheme failure.</p> <p>Other Conditions of Local Growth Funds: Slough Borough Council will acknowledge the financial contribution made to this scheme through Local Growth Funds and follow the "Growth Deal Identity Guidelines"^{viii}</p> |

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| Assurance Framework Check list | 2.19 Bracknell Town Centre Regeneration Infrastructure Improvements |
| | <p>issued by government. It will also give due regard to the Public Services (Social Value) Act^{ix}, particularly through the employment of apprentices across the scheme supply chain.</p> <p>Evaluation One and Five years on: Bracknell Forest Council will work with WYG to produce scheme evaluations One and Five years after practical completion.</p> |

Conclusion

15. This is a well-planned scheme that will contribute to the success of the major Town Centre regeneration scheme in Bracknell

Background Papers

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

ⁱ <http://thamesvalleyberkshire.co.uk/NewsDetails/163102m-expansion-of-growth-deal-boosts-local-plan-for-thames-valley-berkshire-economy-19917>

ⁱⁱ <http://thamesvalleyberkshire.co.uk/Portals/0/FileStore/StrategicInfrastructure/StrategicInfrastructure/BLTB/Assurance%20Framework%20for%20Berkshire%20Local%20Transport%20Body%2014%20November%202013.pdf>

ⁱⁱⁱ <http://www.bracknell-forest.gov.uk/strategieconomicplan>

^{iv} <http://thamesvalleyberkshire.co.uk/Portals/0/FileStore/StrategicInfrastructure/StrategicInfrastructure/BLTB/Assurance%20Framework%20for%20Berkshire%20Local%20Transport%20Body%2014%20November%202013.pdf>

^v <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5473&Ver=4>

^{vi} <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5459&Ver=4>

^{vii} <http://www.bracknell-forest.gov.uk/strategieconomicplan>

^{viii} <https://www.gov.uk/government/publications/regional-growth-fund-identity-guidelines>

^{ix} <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>