



HATCH
REGENERIS

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

**A Final Report by Hatch Regeneris
November 2019**

Thames Valley Berkshire Local Enterprise Partnership

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

November 2019

www.hatchregeneris.co.uk

Contents Page

Executive Summary	i
Scheme Summary	i
Review Findings	i
1. Introduction	1
Submitted Information	1
Report Structure	1
2. Appraisal Specification Report	2
Overview	2
Review	2
3. Full Business Case	4
Overview	4
Key Input Assumption and Parameters	4
Strategic Case	5
Economic Case	7
Financial Case	10
Commercial Case	11
Management Case	11
Summary and Conclusions	13

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 Transport's (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):
 - Appraisal Specification Report (3rd September 2019)
 - 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 its suitability and robustness against TVB LEP's assurance requirements, and provide recommendations in relation to the approval of LEP funding for the proposed scheme.
- 1.8 The report is structured 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 in the 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 Report

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 anticipated, 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.

- 3.18 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.
- 3.19 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.
- 3.20 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

- 3.21 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.
- 3.22 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.
- 3.23 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.
- 3.24 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.
- 3.25 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.
- 3.26 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.
- 3.27 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 on-going 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.

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 **contract 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.



www.hatchregeneris.co.uk

London: 0207 336 6188

Manchester: 0161 234 9910