

## BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 17 November 2016

CONTACT OFFICER: Tim Wheadon, Chief Executive, Bracknell Forest Council

### PART I

#### Item 4: Financial Approval 2.21 Slough: Langley Station Improvements

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

1. To consider giving financial approval to scheme 2.21 Slough Langley Station Improvements.
2. This is a scheme to improve station facilities at Langley and enhance access to the station from the surrounding area. Activities will include new station buildings, lifts and enhancements to the station entrances and parking. Improvements will be made to pedestrian, cycling, and bus facilities. Better information and signage will be provided and measures to enhance the safety and security of the station. The scheme is aimed at preparing the station for the enhanced travel opportunities that will arise when Crossrail services begin in 2019.
3. This scheme will add value to rail industry plans which include short-term works as part of Network Rail's electrification programme, further investment by the DfT towards improving accessibility, and Rail for London station enhancements for the Crossrail programme.

##### ***Recommendation***

4. You are recommended to give scheme 2.21 Slough Langley Station Improvements full financial approval in the sum of £1,500,000 in 2017/18 on the terms of the funding agreement set out at paragraph 14 step 5 below.

##### ***Other Implications***

###### *Financial*

5. Scheme 2.21 Slough Langley Station Improvements is a named scheme in the [Thames Valley Berkshire Local Growth Deal 2](#) announced in January 2015.
6. This report recommends that Slough Council be authorised to draw down the capital sum £1,500,000 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 Framework<sup>ii</sup>](#) 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 by Slough Borough Council and by rail industry contractors working on behalf of Rail for London/Crossrail.
11. In October 2016, WYG reviewed the Option Assessment Report and the Appraisal Specification Report for the Langley Station and Access Improvements scheme. Following comments back to the scheme promoter, this was followed by consideration of the Full Business Case.
12. In November 2016 WYG completed their assessment with a recommendation for full approval, which is attached at Appendix 1.
13. The full details of the scheme are available from the [Slough BC website<sup>iii</sup>](#). A summary of the key points is given below:

| <b>Task</b>            | <b>Timescale</b> |
|------------------------|------------------|
| Detailed design update | Autumn 2015      |
| Procurement            | January 2016     |
| Contractor appointed   | March 2016       |
| Construction           | May 2016         |
| Open to public         | March 2017       |

| Activity               | Funder                         | Cost (approx) |
|------------------------|--------------------------------|---------------|
| Scheme development     | Slough Borough Council         |               |
| Major scheme funding   | Berkshire Local Transport Body | £2.00m        |
| Council contribution   | Slough BC capital programme    | £0.10m        |
| Private sector funding | s.106 and other sources        | £4.15m        |
| <b>Total</b>           |                                | <b>£6.25m</b> |

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<sup>iv</sup>](#).

| Assurance Framework Check list   | 2.21 Slough Langley Station Improvements   |                  |                  |                       |
|--|--|------------------|------------------|-----------------------|
|  | <p>The scheme was originally developed by Slough Council in response to the planned introduction of Crossrail trains to Langley Station in 2019.</p> <p>The scheme was submitted for inclusion in Growth Deal 2. The SEP assessment process was used and the scheme was given 14 points and ranked equal 37th of 41 schemes submitted in GD 1 and 2 combined.</p>  |                  |                  |                       |
|  | <b>Factor</b>  | <b>Raw score</b> | <b>Weighting</b> | <b>Weighted score</b> |
|  | Strategy   | 1                | 1.5              | 1.5                   |
|  | Deliverability   | 1                | 2                | 2                     |
|  | Economic Impact  | 2                | 4                | 8                     |
|  | TVB area coverage  | 1                | 1.5              | 1.5                   |
|  | Environment  | 1                | 0.5              | 0.5                   |
|  | Social   | 1                | 0.5              | 0.5                   |
|  |  |                  | <b>Total</b>     | <b>14</b>             |
| Step 2:<br>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>Programme Entry status was given by the BLTB on <a href="#">19 March 2015<sup>v</sup></a> (minute 28a refers). The progress of the scheme was reported to the BLTB meeting held on <a href="#">16 July 2015<sup>vi</sup></a> and <a href="#">19 November 2015<sup>vii</sup></a>, <a href="#">17 March 2016<sup>viii</sup></a> and <a href="#">21 July 2016<sup>ix</sup></a>.</p> <p>The <a href="#">Slough BC website<sup>x</sup></a> 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 Slough 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"> <li>• Completeness – has the promoter prepared a complete Full Business Case submission, when judged against the prevailing advice from the DfT</li> <li>• Accuracy – has the promoter performed the relevant calculations and assessments accurately and without error</li> <li>• Relevance – has the Full Business Case considered all relevant matters, including use of appropriate forecasting models and</li> </ul> |                  |                  |                       |

| Assurance Framework Check list   | 2.21 Slough Langley Station Improvements  |
|--|---|
|  | <p>planning assumptions, and has it included any irrelevant considerations such as unduly-optimistic assumptions or out of date modelling data</p> <ul style="list-style-type: none"> <li>• Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance</li> <li>• Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme.</li> <li>• 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.</li> </ul>  |
| Step 3: Conditional Approval   | The Independent Assessor has recommended that in this case a Full Approval is appropriate.  |
| Step 4:<br>Recommendation of Financial Approval<br>- High Value for Money<br>- Support of the Independent assessor   | <p>The analysis contained within the Full Business Case suggests that the scheme will generate High Value for Money. It goes on to say, <i>“The case for the scheme is positive, with the scheme offering High Value for Money with an NPV/k value of 0.96 in the Alternative Scenario.”</i></p> <p>As noted above the scheme has the full support of the Independent Assessor.</p> <p>The recommendation is that you give the scheme Full Approval.</p>  |
| Step 5: Formal Agreement<br>- roles<br>- responsibilities<br>- reporting<br>- auditing<br>- timing and triggers for payments,<br>- contributions from other funders,<br>- consequences of delay,<br>- consequences of failure,<br>- claw back,<br>- evaluation one and five years on | <p><b>Roles:</b> The BLTB is a part funder of the scheme. Slough Council is the scheme promoter, and is the relevant highway and planning authority.</p> <p><b>Responsibilities:</b> The BLTB is responsible for allocating the capital finance in accordance with the Assurance Framework. Slough 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><b>Reporting:</b> In addition to any reporting requirements within Slough 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, Slough 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><b>Auditing:</b> 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, Slough Council will cooperate fully.</p> <p><b>Timing and Triggers for payments:</b> Slough 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</p> |

| Assurance Framework Check list | 2.21 Slough Langley Station Improvements  |
|--------------------------------|---|
|                                | <p>the BLTB) will satisfy itself of the correctness of the certificate before paying the invoice.</p> <p>Contributions from Other Funders: there will be £3,500,000 of other contributions secured by Slough Council in 2017/18 and a further £50,000 contributed by the Slough capital programme also 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), Slough 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) Slough 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 Slough 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 Slough Council after this point. In addition, consideration will be given to recovering any monies paid to Slough 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 "<a href="#">Growth Deal Identity Guidelines</a>"<sup>xi</sup> issued by government. It will also give due regard to the <a href="#">Public Services (Social Value) Act</a><sup>xii</sup>, particularly through the employment of apprentices across the scheme supply chain.</p> <p>Evaluation One and Five years on: Slough 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 provide support the major investment being made in the Crossrail scheme.

### Background Papers

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

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

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<http://thamesvalleyberkshire.co.uk/NewsDetails/ArtMID/511/ArticleID/3035/163102M-EXPANSION-OF-GROWTH-DEAL-BOOSTS-LOCAL-PLAN-FOR-THAMES-VALLEY-BERKSHIRE-ECONOMY->

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

<sup>iii</sup> <http://www.slough.gov.uk/parking-travel-and-roads/plans-for-the-future.aspx>

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

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

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

<sup>vii</sup> <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5460&Ver=4>

<sup>viii</sup> <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5461&Ver=4>

<sup>ix</sup> <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5602&Ver=4>

<sup>x</sup> <http://www.slough.gov.uk/parking-travel-and-roads/plans-for-the-future.aspx>

<sup>xi</sup> <https://www.gov.uk/government/publications/regional-growth-fund-identity-guidelines>

<sup>xii</sup> <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>