

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 14 March 2019

CONTACT OFFICER: Joe Carter, Director of Regeneration, Lead Officer to the BLTB

PART I

Item 5: Financial Approval for 2.29 Wokingham: Winnersh Triangle Park & Ride

Purpose of Report

1. To consider giving financial approval to scheme 2.29 Wokingham: Winnersh Triangle Park and Ride (previously referred to as Wokingham: Winnersh Parkway).
2. The purpose of this scheme is to redevelop the transport links at Winnersh Triangle. The redevelopment will include double-decking the new park and ride site to add at least 250 additional car parking spaces, improvement of the station building including the surrounding area, reorganising the highways layout. These arrangements would complement growth plans of Frazer Centrepark who are intensifying the use of Winnersh Triangle Business Park.

Recommendation

3. You are recommended to give scheme 2.29 Wokingham: Winnersh Triangle Park and Ride conditional financial approval in the sum of £250,000 in 2019/20 and £2,600,000 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below, subject to meeting the following conditions:
 - 3.1. **Either:** Provision of clear evidence to justify the different journey time and vehicle operating cost impacts across all user classes
Or: Provision of updated VISUM model and TUBA model outputs that demonstrate both positive and consistent impacts across all user classes.
 - 3.2. Provision of benefits sensitivity test outputs for a low growth and reduced P&R occupancy scenario that demonstrate the scheme will continue to represent high value for money from investment under these circumstances.
 - 3.3. Provision of additional evidence to support the commercial case to demonstrate the optimum procurement approaches will be adopted by both Wokingham BC and South Western Railway (SWR).
 - 3.4. Provision of confirmation of SWR management arrangements for delivering the internal station works.
 - 3.5. That the scheme retains high or better value for money once these conditions have been met.

Other Implications

Financial

4. Scheme 2.29 Wokingham: Winnersh Triangle Park and Ride is a scheme being funded from the [Thames Valley Berkshire Growth Deal](#)ⁱ. This scheme received funding on the basis of scheme 2.16 Maidenhead Station Access being awarded financial approval for a lesser amount on 16 November 2017 (minute 18a refers)ⁱⁱ.
5. This report recommends that the Wokingham Borough Council be authorised to draw down the capital sum £2,850,000 from the Local Transport Body funding for this scheme, subject to meeting the conditions set out in the recommendation.
6. The funding agreement set out at paragraph 11 step 5 sets out the roles and responsibilities, reporting and auditing arrangements, timing and triggers for payments, contributions from other funders, consequences of delay, consequences of failure, claw back, and evaluation requirements at one and five years on.

Risk Management

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

Human Rights Act and Other Legal Implications

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

Supporting Information

9. The scheme will be carried out by Wokingham Borough Council.
10. The full details of the scheme are available from the [Wokingham Borough Council website](#)^{iv}.
A summary of the key points is given below:

Task	Timescale
Procurement	April 2020 [Car Park Deck]
Contractor appointed	As above
Construction	January 2020 [Station Building/Forecourt] / June 2020 [Car Park]

Open to public	September 2020
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Activity	Funder	Cost (approx)
Scheme development	Wokingham Borough Council	£0.0m
Major scheme funding	Berkshire Local Transport Body	£2.850m
Section 106 agreements	Developers etc	£0.550m
Total		£3.400m

11. The table below sets out the details of this scheme's compliance with steps 1-5 of paragraph 14 of [Assurance Framework^v](#).

Assurance Framework Check list	2.29 Wokingham: Winnersh Triangle Park & Ride																																			
	<p>Wokingham Winnersh Triangle Park & Ride will improve the station facilities, more than double the capacity of the adjacent Park and Ride car park and support the development of employment at the Winnersh Triangle Business Park.</p> <p>The SEP assessment process was used and the scheme was given 25.5 points and ranked No 8 of 28 schemes submitted in for Growth Deal 3 in 2016</p> <table border="1"> <thead> <tr> <th>Factor</th> <th>Raw score</th> <th>Weighting</th> <th>Weighted score</th> </tr> </thead> <tbody> <tr> <td>SEP</td> <td>3</td> <td>1.5</td> <td>4.5</td> </tr> <tr> <td>Deliverability</td> <td>2</td> <td>2.0</td> <td>4.0</td> </tr> <tr> <td>Economic Impact</td> <td>3</td> <td>4.0</td> <td>12.0</td> </tr> <tr> <td>TVB area coverage</td> <td>2</td> <td>1.5</td> <td>3.0</td> </tr> <tr> <td>Natural Capital</td> <td>1</td> <td>0.5</td> <td>0.5</td> </tr> <tr> <td>Social Value</td> <td>3</td> <td>0.5</td> <td>1.5</td> </tr> <tr> <td colspan="3">Total</td> <td>25.5</td> </tr> </tbody> </table>				Factor	Raw score	Weighting	Weighted score	SEP	3	1.5	4.5	Deliverability	2	2.0	4.0	Economic Impact	3	4.0	12.0	TVB area coverage	2	1.5	3.0	Natural Capital	1	0.5	0.5	Social Value	3	0.5	1.5	Total			25.5
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<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 16 November 2017^{vi} (Minute 18a refers)</p> <p>The Wokingham Borough Council 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 Wokingham 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 																																			

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	<p>considerations such unduly-optimistic assumptions or out of date modelling data</p> <ul style="list-style-type: none"> • Value for Money – does the scheme promoter’s Value for Money assessment comply with the prevailing DfT guidance • Evaluation arrangements – has the scheme promoter made provision for appropriate post-implementation evaluation of the scheme. • Remedies – where the independent assessment reveals a gap between the FBC supplied and the standard anticipated by the DfT guidance, then the advice for the LTB should include recommendations for remedial actions required – e.g., collection of further data, sensitivity tests on particular assumptions etc.
Step 3: Conditional Approval	<p>The Independent Assessor has recommended that in this case Conditional Approval is appropriate. This is on the basis that further evidence is supplied which supports the conclusions reached in the Full Business Case in respect of:</p> <ol style="list-style-type: none"> 1) Either: Provision of clear evidence to justify the different journey time and vehicle operating cost impacts across all user classes Or: Provision of updated VISUM model and TUBA Model outputs that demonstrate both positive and consistent impacts across all user classes. 2) Provision of benefits sensitivity test outputs for a low growth and reduced P&R occupancy scenario that demonstrate the scheme will continue to represent high value for money from investment under these circumstances. 3) Provision of additional evidence to support the commercial case to demonstrate the optimum procurement approaches will be adopted by both Wokingham BC and SWR. 4) Provision of confirmation of SWR management arrangements for delivering the internal station works. 5) That the scheme retains high or better value for money once these conditions have been met.
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 4.4</p> <p>DfT has set thresholds of 2.00 (High VfM) and 4.00 (Very High VfM) and schemes with BCRs above these thresholds can described as having High or Very High Value for Money.</p>
Step 5: Formal Agreement - roles - responsibilities - implementation - reporting - auditing - timing and	<ul style="list-style-type: none"> - <u>Roles:</u> TVB LEP is a part funder of the scheme. Wokingham Borough Council is the scheme promoter, and is the relevant highway and planning authority. - <u>Responsibilities:</u> TVB LEP is responsible for allocating the capital finance in accordance with its Assurance Framework. Wokingham Borough Council is responsible for all aspects of the design, risk management, insurance, procurement,

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<p>triggers for payments,</p> <ul style="list-style-type: none"> - contributions from other funders, - consequences of delay, - consequences of failure, - consequences of change to the design or specification of the scheme - claw back, - evaluation one and five years on - other conditions of Local Growth Funds 	<p>construction and implementation of the scheme, including its responsibilities as highway and planning authority, any other statutory duties, and any financial or other liabilities arising from the scheme.</p> <ul style="list-style-type: none"> - <u>Implementation</u>: In addition to any reporting requirements within Wokingham Borough Council, the scheme promoter will use the proforma supplied by TVB LEP to make reports on progress of the implementation of the capital scheme to each meeting of the BLTB until the build is complete. In particular, Wokingham Borough Council will report on any change in the size, scope or specification of the scheme; and on any substantial savings against the scheme budget whether achieved by such changes to the size, scope or specification of the scheme, or through procurement, or through the efficient implementation of the scheme. - <u>Reporting</u>: The scheme promoter must provide accurate, timely, verified and quality assured quarterly monitoring and forecast data, which relate to defined output and outcome indicators agreed between TVB LEP and government as a condition of the Growth Deal. This scheme will not be required to participate in an evaluation as set out in the Growth Deal Monitoring and Evaluation Plan. - <u>Auditing</u>: Wokingham Borough Council will keep financial records such that the expenditure on the scheme is readily identifiable, and if and when BEIS, DfT or other government department or the accountable body for TVB LEP requests access to financial or other records for the purposes of an audit of the accounts, Wokingham Borough Council will co-operate fully. - <u>Timing and Triggers for payments</u>: See the Claim Proforma at Appendix 1 – available on request. - <u>Contributions from Other Funders</u>: Wokingham Borough Council will contribute £50,000 of s.106 contributions secured in 2019/20 & £500,000 of s.106 contributions in 2020/21. In the event that the scheme experiences or it is anticipated that the scheme will experience a shortfall in these contributions, Wokingham Borough Council will be required to notify TVB LEP of these developments. The provisions of clauses 8, Consequences of Delay; 9, Consequences of Change to the Design or Specification of the Scheme; or 10, Consequences of Failure will then be applied. - <u>Consequences of Delay</u>: In the event that the scheme experiences minor delays to its overall Business Case programme (no more than 10 weeks), Wokingham Borough Council will report these delays and the reasons for them, and

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	<p>the proposed remedial action to the next available meeting of the BLTB. In the event that the scheme experiences major delays to its overall Business Case programme (11 weeks or longer) Wokingham Borough Council will be required to seek permission from TVB LEP to reschedule any payments that are due or may be delayed in falling due because of the delay to the overall Business Case programme.</p> <ul style="list-style-type: none"> - <u>Consequences of Change to the Design or Specification of the Scheme</u>: In the event that Wokingham Borough Council wishes to change the design or specification of the scheme such the scheme delivered will vary in any material aspect from the description given in the overall business case, Wokingham Borough Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Wokingham Borough Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme. - <u>Consequences of Failure</u>: As soon as it becomes apparent to Wokingham Borough Council that it will not be possible to deliver the scheme within the current LGF programme, i.e. by the end of 2020/21, written notice shall be given to the accountable body for TVB LEP. No further monies will be paid to Wokingham Borough Council after this point. In addition, consideration will be given to recovering any monies paid to Wokingham Borough Council in respect of this scheme. - <u>Claw back</u>: If the overall scheme achieves savings against budget, these savings will be shared by TVB LEP and the other funders noted above in proportion to the amounts set out in the Financial Profile. The accountable body for TVB LEP reserves the right to claw back any amounts of grant that have been spent on purposes other than the scheme as approved and any repayments due as a consequence of changes to the design or specification of the scheme or scheme failure. - <u>Evaluation One and Five Years On</u>: Wokingham Borough Council will produce scheme evaluations One and Five years after practical completion that comply with DfT guidance. - <u>Other Conditions of Local Growth Funds</u>: Wokingham Borough Council will acknowledge the financial contribution made to this scheme through Local Growth Funds and follow the 'Growth Deal Identity Guidelines' – see link here: http://www.thamesvalleyberkshire.co.uk/getfile/Public%20Documents/Strategic%20Economic%20Plan/Logos%20for%20branding/GROWTH%20DEAL%20IDENTITY%20GUIDELINES%2080219.pdf?inline-view=true

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	It will also give due regard to the Equality Act 2010 - Public Sector and with the Public Services (Social Value Act) 2012, particularly through the employment of apprentices across the scheme supply chain.

Conclusion

12. The scheme will redevelop the transport links at Winnersh Triangle and help enable further development at the Winnersh Triangle Business Park.

Background Papers

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

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/398880/35_Thames_Valley_Berkshire_Growth_Deal.pdf

ii <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5756&Ver=4>

iii <http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum>

iv www.myjourneywokingham.com/discover-wokingham/bus-travel/park-and-ride/

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