

## **BERKSHIRE LOCAL TRANSPORT BODY (BLTB)**

**REPORT TO:** BLTB

**DATE:** 20 July 2017

**CONTACT OFFICER:** Roger Parkin, Interim Chief Executive, Slough Borough Council

### **PART I**

#### **Item 5: Financial Approval 2.13 Wokingham: Thames Valley Park and Ride**

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

1. To consider giving financial approval to scheme 2.13 Wokingham: Thames Valley Park and Ride.
2. This scheme is a proposed Park and Ride facility off the A3290 in the east of the Reading urban area. The scheme will improve access to Reading town centre and major employment sites by providing congestion relief on the road network in east Reading. The scheme is being jointly promoted by Reading Borough Council (RBC) and Wokingham Borough Council (WBC). The scheme was originally called 2.13 Reading: Eastern Park and Ride, but has since been re-named 2.13 Wokingham: Thames Valley Park and Ride

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

3. You are recommended to give scheme 2.13 Wokingham: Thames Valley Park and Ride full financial approval in the sum of £2,000,000 in 2018/19 and £900,000 in 2019/20 on the terms of the funding agreement set out at paragraph 13 step 5 below.

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

##### ***Financial***

4. 2.13 Wokingham: Thames Valley Park and Ride is a named scheme in the [Thames Valley Berkshire Local Growth Deal](#)<sup>i</sup> announced on 7 July 2014.
5. This report recommends that Wokingham Borough Council be authorised to draw down the capital sums of £2,000,000 in 2018/19 and £900,000 in 2019/20 from the Local Transport Body funding for this scheme.
6. The funding agreement set out at paragraph 13 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<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 13, 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. 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**

9. The scheme will be carried out by Wokingham Borough Council.
10. In October 2016, WYG reviewed the Full Business Case and following feedback, in February 2017 Wokingham re-submitted for the Full Business case for this scheme. Following further work on the Business Case, it was submitted a third time in May 2017.
11. In July 2017 WYG completed their assessment with a recommendation for full approval, which is attached at Appendix 1.
12. The full details of the scheme are available from the [My Journey Wokingham<sup>iii</sup>](#). A summary of the key points is given below:

Task	Timescale
Detailed design update	Autumn 2017
Procurement	Spring 2018
Start of Construction	Summer 2018
End of Construction	Winter 2019

Activity	Funder	Cost (approx.)
Scheme development	Wokingham BC	
Major scheme funding	Berkshire Local Transport Body	£2.90m
Private sector funding	s.106 and other sources	£0.70m
<b>Total</b>		<b>£3.60m</b>

13. 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	2.13 Wokingham: Thames Valley Park and Ride			
	<p>The scheme was originally developed by Reading and Wokingham Councils working together to address the issues of chronic congestion and poor air quality in East Reading, Woodley and Earley.</p> <p>The scheme was submitted for inclusion in Growth Deal 1. The SEP assessment process was used and the scheme was given 23.5 points and ranked 19th of 37 schemes submitted in GD 1.</p>			
	Factor	Raw score	Weighting	Weighted score
	Strategy	3	1.5	4.5
	Deliverability	3	2	6.0
	Economic Impact	2	4	8.0
	TVB area coverage	2	1.5	3.0
	Environment	2	0.5	1.0
	Social	2	0.5	1.0
	Total			23.5
<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 <a href="#">24 July 2014<sup>v</sup></a> (minute 6b refers). The progress of the scheme was reported to the BLTB meeting held on <a href="#">16 July 2015<sup>vi</sup></a>, <a href="#">19 November 2015<sup>vii</sup></a>, <a href="#">17 March 2016<sup>viii</sup></a>, <a href="#">21 July 2016<sup>ix</sup></a>, <a href="#">17 November 2016<sup>x</sup></a> and <a href="#">16 March 2017<sup>xi</sup></a></p> <p>The <a href="#">My Journey Wokingham website<sup>xii</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 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"> <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 planning assumptions, and has it included any irrelevant considerations such as unduly-optimistic assumptions or out of date modelling data</li> <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</li> </ul>			

Assurance Framework Check list	2.13 Wokingham: Thames Valley Park and Ride
	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	The Independent Assessor has recommended that in this case a Full Approval is appropriate.
Step 4: Recommendation of Financial Approval - High Value for Money - Support of the Independent assessor	<p>The analysis contained within the Full Business Case suggests that the scheme will generate High Value for Money. The assessor's report confirms this and goes on to say,</p> <p><i>“The Core Scenario has a High Value for Money with a BCR of 3.23. The Low-demand scenario has a High Value for Money with a BCR of 2.44.”</i></p> <p>The recommendation is that you give the scheme Full Approval.</p>
Step 5: Formal Agreement - roles - responsibilities - reporting - auditing - timing and triggers for payments, - contributions from other funders, - consequences of delay, - consequences of failure, - claw back, - evaluation one and five years on	<p><b>Roles:</b> The BLTB is a part funder of the scheme. Wokingham Borough 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. Wokingham Borough 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 Wokingham Borough 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, 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.</p> <p><b>Auditing:</b> If and when the DfT or Windsor and Maidenhead Council (acting as accountable body for the LEP) requests access to financial or other records for the purposes of an audit of the accounts, Wokingham Borough Council will cooperate fully.</p> <p><b>Timing and Triggers for payments:</b> Wokingham Borough Council will submit an annual invoice for each financial year together with a certificate of work. Windsor and Maidenhead Council (acting as accountable body for the LEP) will satisfy itself of the correctness of the certificate before paying the invoice.</p> <p><b>Contributions from Other Funders:</b> there will be £250,000 of other contributions secured by Wokingham Borough Council in 2017/18 and a further £450,000 in 2018/19.</p>

Assurance Framework Check list	2.13 Wokingham: Thames Valley Park and Ride
	<p>Consequences of Delay: In the event that the scheme experiences minor delays to its programme (no more than 10 weeks), Wokingham Borough 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) Wokingham Borough 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 Wokingham Borough Council that it will not be possible to deliver the scheme at all, written notice shall be given to Windsor and Maidenhead Council (acting as accountable body for the 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.</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. Windsor and Maidenhead Council (acting as accountable body for the LEP) 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: Wokingham 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>xiii</sup> issued by government. It will also give due regard to the <a href="#">Public Services (Social Value) Act</a><sup>xiv</sup>, particularly through the employment of apprentices across the scheme supply chain.</p> <p>Evaluation One and Five years on: Wokingham Borough Council will work with WYG to produce scheme evaluations One and Five years after practical completion.</p>

## Conclusion

14. This scheme will contribute to the alleviation of congestion and poor air quality in East Reading, Woodley and Earley.

## Background Papers

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

<sup>i</sup> <https://www.gov.uk/government/publications/thames-valley-berkshire-growth-deal>

<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.myjourneywokingham.com/discover-wokingham/bus-travel/park-and-ride/>

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

---

pdf

v <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5148&Ver=4>

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

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

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

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

x <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5636&Ver=4>

xi <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5677&Ver=4>

xii <http://www.myjourneywokingham.com/discover-wokingham/bus-travel/park-and-ride/>

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

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