

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 19 July 2018

CONTACT OFFICER: Joe Carter, Director of Regeneration, Slough Borough Council, lead officer to BLTB

PART I

Item 11: Financial Approval 2.28 Bracknell: A3095 Corridor

Purpose of Report

1. To consider giving financial approval to scheme 2.28 Bracknell: A3095 Corridor.
2. This project delivers significant improvements to one of the key highway corridors in the Thames Valley Berkshire. The project will significantly help in terms of accommodating movements and reducing congestion between the M4 (J8/9/10) and M3 (J4) and between Maidenhead, Reading, Wokingham, Bracknell, and Camberley/Blackwater Valley and beyond. This work will also assist in unlocking housing delivery at TRL and Broadmoor that will provide 1,415 new houses and enhance urban connectivity.

Recommendation

3. You are recommended to give scheme 2.28 Bracknell: A3095 Corridor full financial approval in the sum of £2,000,000 in 2019/20 and £3,518,800 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 below.

Other Implications

Financial

4. Scheme 2.28 Bracknell: A3095 Corridor is a named scheme in the [Thames Valley Berkshire Growth Deal 3ⁱ](#) announced on [2 February 2017ⁱⁱ](#)
5. This report recommends that Bracknell Forest Council be authorised to draw down the capital sum £5,518,800 from the Local Transport Body funding for this scheme.
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
 - 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 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. 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 for Bracknell Forest Council.
10. The full details of the scheme are available from the [Bracknell Forest website](#)^{iv}. A summary of the key points is given below:

Task	Timescale
Procurement	Via the Council's Term Contractor
Contractor appointed	As above
Construction	November 2019
Open to public	November 2021

Activity	Funder	Cost (approx)
Scheme development	Bracknell Forest Council	
Major scheme funding	Berkshire Local Transport Body	£5.518m
Section 106 agreements	Developers etc	£2.500m
Total		£8.018m

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	2.28 Bracknell A3095 Corridor
	The scheme was originally developed by Bracknell Forest Council in response to the growth pressures along this corridor, and in particular to developments at the former TRL site and Broadmoor.

Assurance Framework Check list	2.28 Bracknell A3095 Corridor			
	The SEP assessment process was used and the scheme was given 27 points and ranked 6th of 27 schemes submitted in GD 3.			
	Factor	Raw score	Weighting	Weighted score
	Strategy	3	1.5	4.5
	Deliverability	3	2.0	6.0
	Economic Impact	3	4.0	12.0
	TVB area coverage	2	1.5	3.0
	Environment	1	0.5	0.5
	Social	2	0.5	1.0
	Total			
<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 March 2017^{vi}. Progress reports were considered by the BLTB on 20 July 2017^{vii}, 16 November 2017^{viii} and 15 March 2018^{ix}.</p> <p>The Bracknell Forest website^x 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 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	<p>The scheme has a Benefit- Cost Ratio (BCR) of 2.78.</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</p>			

Assurance Framework Check list	2.28 Bracknell A3095 Corridor
<ul style="list-style-type: none"> - High Value for Money - Support of the Independent assessor 	<p>having High or Very High Value for Money.</p>
<p>Step 5: Formal Agreement</p> <ul style="list-style-type: none"> - roles - responsibilities - implementation - 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>The capital grant of £5,518,800 is a maximum figure which cannot be increased but may be reduced if savings are achieved during implementation. In the event that Bracknell Forest Council wishes to alter the profile of the grant payments, it must seek prior written permission from TVB LEP, having first raised the matter with the BLTB. The grant is made subject to the following:</p> <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, risk management, insurance, procurement, construction and implementation of the scheme, including its responsibilities as highway and planning authority, and any other statutory duties, and any financial or other liabilities arising from the scheme.</p> <p>Implementation: In addition to any reporting requirements within Bracknell Forest Council, the scheme promoter will use the pro forma 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, 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>Reporting: 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.</p> <p>Auditing: Bracknell Forest Council will keep financial records such that the expenditure on the scheme is readily identifiable, If and when BEIS, DfT or the Royal Borough of Windsor and Maidenhead (acting as accountable body for the LEP) 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</p>

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	<p>work. The Royal Borough of Windsor and Maidenhead (acting as accountable body for the LEP) will satisfy itself of the correctness of the certificate before paying the invoice.</p> <p>Contributions from Other Funders: In the event that the scheme experiences or it is anticipated that the scheme will experience a shortfall in these contributions, Bracknell Forest 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. There will be s106 contributions from developers of £500,000 in 2019/21 and £2,000,000 in 2020/21.</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 Change to the Design or Specification of the Scheme: In the event that Bracknell Forest 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, Bracknell Forest Council will be required to seek prior written consent from TVB LEP. Failing this permission, no further monies will be paid to Bracknell Forest Council after the change becomes apparent to TVB LEP. In addition, consideration will be given to recovering any monies paid to Bracknell Forest Council in respect of this scheme.</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 the Royal Borough of Windsor and Maidenhead (acting as accountable body for the LEP). 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. The Royal Borough of Windsor and Maidenhead (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>Evaluation One and Five Years On: Bracknell Forest Council will produce scheme evaluations One and Five years after practical</p>

Assurance Framework Check list	2.28 Bracknell A3095 Corridor
	<p>completion that comply with DfT guidance.</p> <p>Other Conditions of Local Growth Funds: Bracknell Forest Council will acknowledge the financial contribution made to this scheme through Local Growth Funds and follow the "Growth Deal Identity Guidelines"^{xi}. It will also give due regard to the Public Services (Social Value) Act^{xii}, particularly through the employment of apprentices across the scheme supply chain.</p>

Conclusion

12. This is a well-planned scheme that will contribute to the better flow of traffic on through routes in Bracknell

Background Papers

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

ⁱhttps://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589268/170202_Thames_Valley_Berkshire_LEP_GD_factsheet.pdf

ⁱⁱ<https://www.gov.uk/government/news/multi-million-pound-cash-boost-to-help-create-local-jobs-and-growth>

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

^{iv}<https://www.bracknell-forest.gov.uk/strategic-economic-plan/background>

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

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

^{vii}<http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5719&Ver=4>

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

^{ix}<http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=601&MId=5951&Ver=4>

^x<https://www.bracknell-forest.gov.uk/strategic-economic-plan/background>

^{xi}<http://www.thamesvalleyberkshire.co.uk/documents?view=files&folder=230>

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