



Richard Tyndall
Thames Valley Berkshire Local Enterprise Partnership

Date: 06/11/2015

Dear Mr Tyndall,

Re: Town Centre Regeneration Infrastructure Improvements – Value for Money Statement

This letter is provided in support of the Business Case produced by Bracknell Forest Council for the Town Centre Regeneration Infrastructure Improvements.

Value for Money Categorisation

The evidence produced within the Full Business Case report for the Town Centre Regeneration Infrastructure Improvements proves that the monetised benefits which can be deemed to be having an effect on the public accounts can provide a **High VFM** category.

Present Value of Benefits and Cost

The analysis contained within the Business Case suggests that the Town Centre Regeneration Infrastructure Improvements will generate a **Present Value of Benefits of £22,418,000** calculated as shown in Table 1;

Table 1: Scheme Benefits

ITEM	VALUE (£000S)
Infrastructure improvements:	
Met Office signalised roundabout	0.436
Station Way signalised roundabout	8.130
Millennium Way signalised junction	-2.531
Reduced mortality benefit	1.325
HEAT walking economic benefits	13.802
Reduced absenteeism	1.256
Present Value of Benefits (PVB)	22.418
Broad Transport Budget	6.140
Present Value of Costs (PVC)	6.140

ENVIRONMENT, CULTURE AND COMMUNITIES

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OVERALL IMPACTS	
Net Present Value (NPV)	16.278
Initial Benefit to Cost Ratio (BCR)	3.651

As illustrated in Table 1, this PVB compared against the Present Value of Costs (PVC) of **£6,140,000** and will generate a **Benefit-Cost Ratio (BCR) of 3.651**. This represents the benefits for the core elements of the scheme, and is considered high value for money according to DfT guidance

Non-monetised, Environmental, Social and Distributional Impacts

Further social and environmental benefits have been derived from qualitative assessment, and whilst these will not provide a monetised benefit for use in this appraisal, the impacts are considered when deriving the Value for Money presented by the scheme:

- The impact to Noise is considered to be **negligible**;
- The impact to Local Air Quality is considered to be **minor adverse**;
- The impact to Landscape is considered to be **negligible to minor beneficial**;
- The impact to Townscape is considered to be **moderate beneficial**;
- The impact to the Historic Environment is considered to be **moderate beneficial**;
- The impact on Biodiversity is considered to be possible **slight adverse**;
- The impact on the Water Environment is considered to be **negligible**;
- The impact on Severance is considered **slight beneficial**;
- The impact on Personal Security is considered **moderate beneficial**; and
- The impact on Accessibility is considered to be **neutral**.

Key Risks, Sensitivities and Uncertainties

A quantified risk assessment and Monte Carlo simulation have been undertaken for key risks identified at this time. The risk register is provided in Appendix E. The risk register contains all risks associated with the scheme including risks of potential overspend which have been identified. It provides a forecast probability of each risk occurring and defines a range of probable costs which may be incurred in that instance.

The risk owner for the project will be Bracknell Forest Council and they will be working with their contractors to mitigate the risks identified on the risk register as outlined in the risk response.

As the scheme promoter, the Council will meet all cost overruns on the scheme beyond the £6.382million predicted scheme cost.

It is anticipated that the benefits will be realised in stages as parts of the redevelopment and improved junction are constructed. The expectation is that these benefits will be delivered in line with the overall delivery programme and also as the individual retail and leisure facilities come on line and also as the local and wider population becomes used to the land changes and the improved access arrangements and "greening" of the public realm areas.

Certification of the Senior Responsible Officer

I certify the Value for Money Statement provided within this letter to be a true reflection of the work undertaken in preparing the Business Case for the Town Centre Regeneration Infrastructure Improvements.

Yours sincerely,



Neil Mathews
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Transport Development - Environment, Culture & Communities
Senior Responsible Officer
Bracknell Forest Council
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