

Richard Tyndall
Thames Valley Berkshire Local Enterprise Partnership

Date: 11/11/2014

Dear Mr Tyndall,

Re: Warfield Link Road – Value for Money Statement

This letter is provided in support of the Business Case produced by Bracknell Forest Council for the Warfield Link Road scheme.

Value for Money Categorisation

The value for money assessment has been prepared in accordance with the DfT's "Value for money assessment: advice note for local transport decision makers".

Initial monetised impacts of the scheme have been extracted from the AST and reported in the Analysis of Monetised Costs and Benefits (AMCB) table, included in Appendix B and repeated in table 3. All monetary values are in 2010 prices, discount to 2010.

Item	Value (£000s)
Greenhouse gasses	270
Economic Efficiency: Consumer Users (Commuting)	10.064
Economic Efficiency: Consumer Users (Other)	15.158
Economic Efficiency: Business Users and Providers	13.836
Wider Public Finances (Indirect Tax Revenues)	-752
Present Value of Benefits (PVB)	38.576
Broad Transport Budget	5.283
Present Value of Costs (PVC)	5.283
OVERALL IMPACTS	
Net Present Value (NPV)	33.545
Initial Benefit to Cost Ratio (BCR)	7.668

This information shows that the Initial BCR of the scheme, based on standard monetised values, is 7.668. This represents the benefits for the core elements of the scheme, and is considered high value for money according to Department for Transport 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 **slight adverse**;
- The impact to Local Air Quality is considered to be **slight adverse**;
- The impact to Landscape is considered to be **slight beneficial**;
- The impact to Townscape is considered to be **slight beneficial**;
- The impact to the Historic Environment is considered to be **neutral**;
- The impact on Biodiversity is considered to be possible **slight adverse**;
- The impact on the Water Environment is considered to be **neutral**;
- The impact on Severance is considered **slight beneficial**;
- The impact on Personal Security is considered **highly beneficial**; and
- The impact on Accessibility is considered to be **neutral**.

Key Risks, Sensitivities and Uncertainties

Planning permission has been granted for the scheme with 750 households although the provision of the link road should unlock 2,200 dwellings in the Warefield area by 2026. A Benefit to Cost Ratio (BCR) was undertaken on the benefits of the current scheme (including development) which shows that there is a BCR of 7.688 and compares the situation when the scheme is included and the housing is included within both the with scheme and without scheme scenarios. Further economic assessments based on the requirements of WebTAG Unit A2.3 have been assessed looking at:

- Scenario A: Without the development and without the scheme
- Scenario D: Without the development and with the scheme

This shows that the Present Value of Benefits (PVB) is -£327.251m. There is a small benefit of putting in the scheme in the AM peak but a large dis-benefit when the scheme is included in the PM peak. The conclusion would seem to be that the road does not stack up on its' own when put into the network in isolation as it is a longer route to take when compared to the existing i.e. it does not act as a bypass of the existing A3095.

Using the WebTAG workbook for calculating the value of housing impacts (using 170 hectares and generic values from Reading) then the net private value of the 2,200 households is £467.500m. Therefore taking the scheme dis-benefits from the above TUBA economic assessment of -£327.251m and adding the benefits from the housing of £467.500m (Large Beneficial) you get an overall assessment of the value for money of £140.249m (PVB). Coupled with the Present Value of Costs being £5.031m then the overall value for money in terms of a BCR is 27.88 compared to the TUBA economic assessment BCR of 7.688.

In conclusion the scheme is dependent on the housing and the housing is dependent on the scheme. You would not build the road without the housing and the housing would not be viable without the road.

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 Warfield Link Road Scheme.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil Mathews', with a long horizontal flourish extending to the right.

Neil Mathews

Transport Development Manager

Transport Development - Environment, Culture & Communities

Senior Responsible Officer

Bracknell Forest Council

Direct Dial - (01344) 351163

