



Richard Tyndall
Thames Valley Berkshire Local Enterprise Partnership

Date: 10/07/2018

Dear Mr Tyndall,

Re: A3095 Corridor Improvements – Value for Money Statement

This letter is provided in support of the Business Case produced by Bracknell Forest Council for the A3095 Corridor Improvements.

Value for Money Categorisation

The evidence produced within the Full Business Case report for the A3095 Corridor 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 A3095 Corridor Improvements will generate a **Present Value of Benefits of £12,626,000** calculated as shown in Table 1;

Table 1: Scheme Benefits

item	value (£000s)
Greenhouse gasses	0.152
Economic Efficiency: Consumer Users (Commuting)	3.950
Economic Efficiency: Consumer Users (Other)	1.810
Economic Efficiency: Business Users and Providers	7.025
Wider Public Finances (Indirect Tax Revenues)	-0.311
Present Value of Benefits (PVB)	12.626
Broad Transport Budget	4.906
Present Value of Costs (PVC)	4.906
OVERALL IMPACTS	
Net Present Value (NPV)	7.720
Initial Benefit to Cost Ratio (BCR)	2.57

ENVIRONMENT, CULTURE AND COMMUNITIES

Bracknell Forest Council, Time Square, Market Street, Bracknell, Berkshire RG12 1JD
T: 01344 352000 F: 01344 352555 Minicom: 01344 352045 www.bracknell-forest.gov.uk

As illustrated in Table 1, this PVB compared against the Present Value of Costs (PVC) of **£4.906m** and will generate a **Benefit-Cost Ratio (BCR) of 2.57**. This represents the benefits for the core elements of the scheme, and is considered high value for money according to DfT guidance

Key Risks, Sensitivities and Uncertainties

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 £8 million predicted scheme cost.

The Table below identifies the key project risks throughout the planning and implementation of the scheme.

Risk	Mitigation
PLANNING / APPROVAL RISKS AND MITIGATION	
Approval to BFC Detailed Designs	Close working between BFC Implementation (Bracknell Forest Council and Ringway Infrastructure Services) team, regular meetings
COST RISKS AND MITIGATION	
Unforeseen Statutory Utilities diversions leading to cost overruns	Specific Utility planning, timely surveys and trial holes, regular cross team meetings with Utilities and contractors
Unforeseen highway constraints leading to cost overruns	Regular design team co-ordination meetings with BFC Implementation team – ongoing review and assessment of designs verses site constraints – timely and focussed investigations
DELIVERY RISKS AND MITIGATION	
Project deadline overruns	Constant delivery programme and risk review (weekly meetings of Implementation team) – search for efficiencies, re-programming, acceleration opportunities
Access and highway network constraints	Timely planning of works, forward “look” for traffic management and street works permit requirements

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 A3095 Corridor Improvements.

Yours sincerely,

Neil Mathews

Head of Transport Development

Transport Development - Environment, Culture & Communities

Senior Responsible Officer

Bracknell Forest Council

Direct Dial - (01344) 351163