



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**

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

**ENVIRONMENT, CULTURE AND COMMUNITIES**

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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.

<b>Risk</b>	<b>Mitigation</b>
<b>PLANNING / APPROVAL RISKS AND MITIGATION</b>	
Approval to BFC Detailed Designs	Close working between BFC Implementation (Bracknell Forest Council and Ringway Infrastructure Services) team, regular meetings
<b>COST RISKS AND MITIGATION</b>	
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
<b>DELIVERY RISKS AND MITIGATION</b>	
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

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