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Bletchley / Milton Keynes South Local Representatives Group

Meeting #3

01. Welcome and today's agenda

Today's agenda

- 01. Welcome and today's agenda**

- 02. Housekeeping**

- 03. Review of Actions from meeting #2**

- 04. Topic - Active Travel / FMLM**

- 05. Topic - Business Case process**

- 06. Topics for future meetings**

- 07. Closing remarks**

02. Housekeeping

Housekeeping

Thank you for joining

This is a virtual meeting.

Please display your full name as when you registered to attend – this can be done through the ‘Participants’ section.

To help everyone feel part of the discussion, please feel free to turn your camera on during the meeting if you can.

Please use the ‘Raise Hand’ function to raise a question during the meeting, found in the bottom ribbon (under the ‘Reactions’ option).



Display your full name in username



Please use the mute function



Use the ‘Raise Hand’ function if you want to raise a point during the meeting



Please do put your camera on if possible

03. Review of actions from meeting #2

Completed actions

Meeting	No.	Action	Owner	Status
2	1	To revise the boundary area maps to show Broughton and Milton Keynes Parish Council as a single parish council.	EWR Co	Complete
2	2	To consider the boundary proposals ahead of next meeting and update the Group.	EWR Co	Complete
2	3	To publish confirmed future meeting dates for all Groups on the Community Hub.	EWR Co	Complete
2	4	To look to provide an attendee with a link to the project website containing an update on the progression of work between Bletchley and Winslow via email if available.	EWR Co	Complete
2	5	To prepare a slide for the Business Case process presentation focusing on how EWR Co demonstrate demand for the service.	EWR Co	Complete – to be presented at meeting #3

04. Topic – Active Travel / First Mile Last Mile

Robbie Gibb

Customer Service Delivery Executive

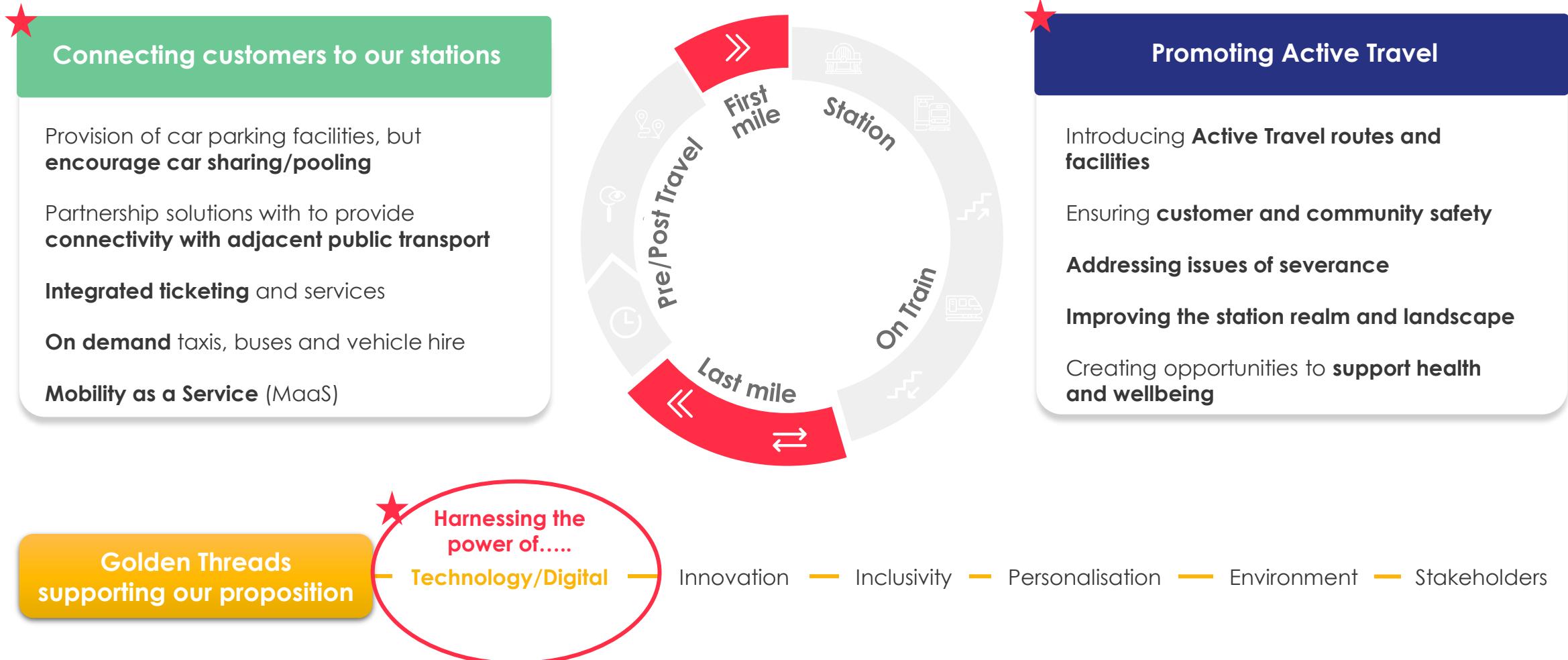
Whole journey management

The EWR approach to End-to-End journey planning, incorporates our '**First Mile Last Mile**' propositions



Our 'First Mile Last Mile' proposition

Creating a seamless door-to-door experience integrating adjacent transport modes and facilitating Active Travel, enabling real choice for our customers at the start and end of their journeys.



Our solutions

The solutions we are developing for the first and last mile of journeys are designed to provide a sustainable, integrated and intuitive experience for all customers.

Connecting customers to our stations

- Collaborating with Local Authorities (and PTAs where applicable) and operators, EWR Co will play an active role in local transport planning to enable connectivity from our communities to our stations.



Easy and safe
Taxi/Vehicle hire

Integrated
ticketing and
timetables

Demand
Responsive
Transport

Multi-modal
connections
to/from stations

Improved public
transport network
connectivity

Mobility as a
Service
(MaaS)

Harnessing the power of digital applications

- Web-based mobile applications provide a hybrid, accessible option for connecting with EWR
- Live journey planning tools and navigational services enabled by information aggregation support customers on their way to then station.
- Examples of information we are looking to make available to customers.....

'In-journey' info
and guidance
across all modes

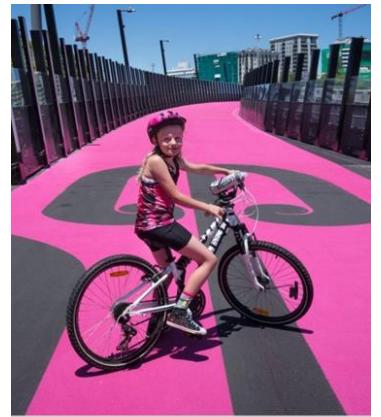
Navigation using
common
mapping tech

Alternative route
alerts

Localised info
such as weather,
incident alerts etc.

Promoting Active Travel

- Our Active Travel options will be safe and tailored to the specific needs of our communities, in order to be an attractive option.
- We will work with local authorities and key stakeholders to improve Active Travel options in our communities including by looking at:
 - Unlocking funding through government and developer contributions
 - Integrating with other schemes, such as Highways Agencies
 - Supporting community aspirations and providing technical assistance where possible



Secure cycle /
scooter parking

(e) Cycle /
Scooter hire

Review cycle
conveyance on
trains

Active Travel /
Cycle hubs

Safer foot and
cycle paths

New Active
Travel routes

Connectivity to
Active Travel
routes

Accessible
routes across the
railway

Public realm
improvements

'Way showing':
apps and realm
design

Community
Active Travel
facilities

Travel and
wellbeing
roadshows

Healthy eating
options at
stations

Active Travel
Pack/Bundle

Guided activities

Questions or comments

05. Topic - Business Case Process

Amelia Boddington, Business Case Executive

What is a Business Case?

A Business Case is the process in which a full assessment is carried out of the costs and benefits associated with undertaking a project, programme or portfolio. It evaluates a range of options and provides a recommendation for a preferred solution. This is a government process which takes into account a wider range of factors than would necessarily be the case with a private sector investment, which by nature is more focused upon return on investment (ROI).

A well-prepared Business Case:

- Enables the organisation and its key stakeholders to **understand, influence and shape the project's scope** and direction early on in the planning process.
- Assists decision makers to **understand the key issues**, the available evidence base and **avoid committing resources to schemes that should not proceed**.
- Demonstrates to senior management, stakeholders, customers and decision makers the continuing **viability of the project** and allows improvements to be made that **maximise value for money for the taxpayer**.
- Provides the basis for **management, monitoring and evaluation** during and after implementation.

How we develop the Business Case

An iterative process

As is typical for large scale infrastructure projects, the development of the Business Case is an iterative process encompassing a number of stages. This is due to:

- The complexity
- The time taken to develop
- Spanning multiple spending periods
- Accounting for emerging evidence
- Societal, economic and technological trends

We gather the evidence required through:

Stakeholder engagement / consultation

Analysis of socio economic data

Economic modelling

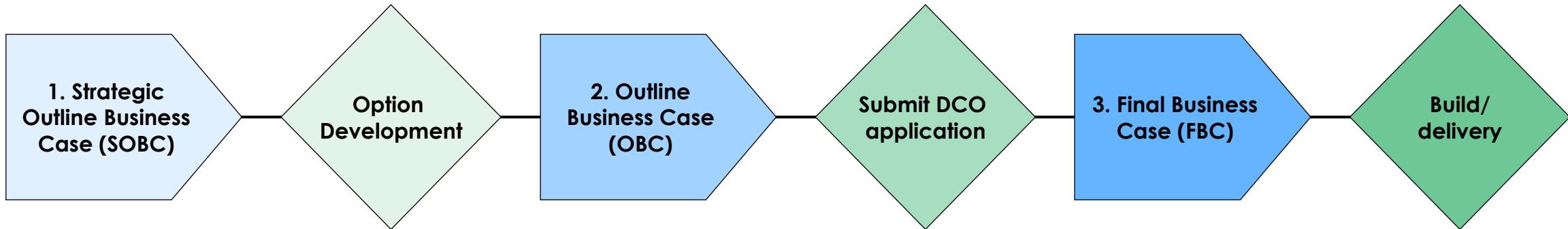
Land and environment surveys

Local & national govt / private sector plans

We have to adhere to a range of guidance

Guidance document	What the guidance covers	
 The Green Book: A guide to appraisal and evaluation	HMT Green Book	The Green Book provides overarching guidance for all government economic appraisal and evaluation of government policies and investments.
 GOV.UK Home > Planning and infrastructure Guidance Transport analysis guidance	Transport Analysis Guidance	TAG is DfT's own suite of guidance specifically covering issues related to transport appraisal.
 Guide to developing the Project Business Case	HMT Guide to Developing the Project Business Case	To supplement the Green Book and provide more specific general guidance on Business Cases.
 Magenta Book Guide to government evaluation	Magenta Book	The Magenta Book provides guidance on evaluation of government projects, programmes and policies.

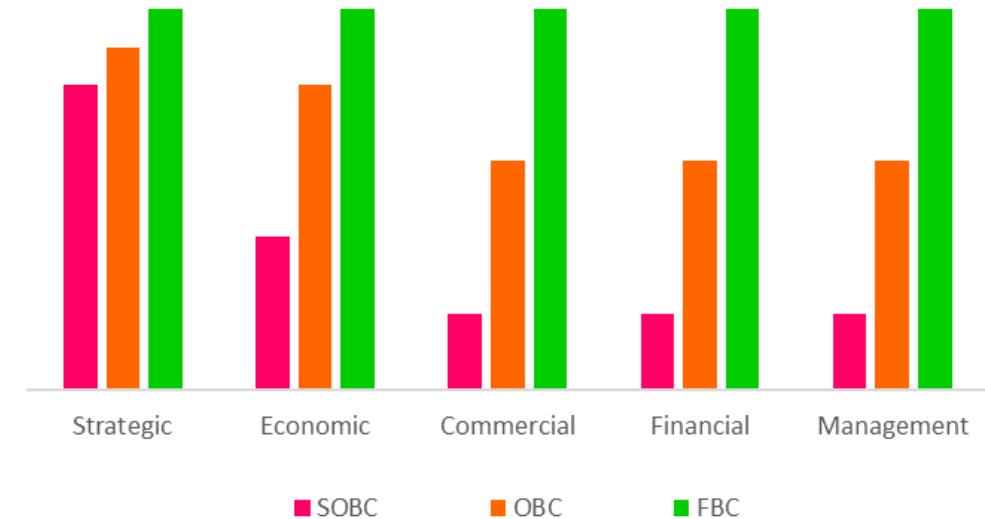
What are the 3 stages of a Business Case?



HM Treasury Five Case Model – different level of detail expected for each case at different stages:

- **SOBC** - is it a good strategic fit?
- **OBC** - how well does it meet objectives?
- **FBC** - can we deliver it?

The Business Case evolves over time to consider a broader range of factors.

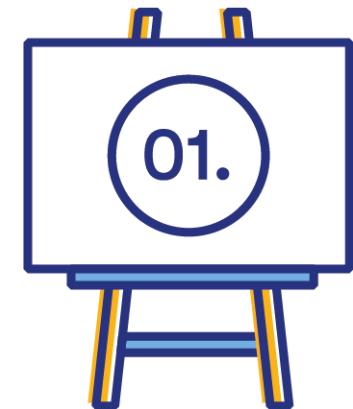


Strategic Case

What is the case for change?

What is the strategic fit with organisational and governmental objectives?

- **Makes the case for change** and demonstrates how it provides **strategic fit**.
- Demonstrates that the scheme provides **synergy and holistic fit** with other projects and programmes within the strategic portfolio.
- Provides evidence of an up-to-date organisational business strategy that references all relevant **local, regional and national policies** and **targets**.
- Demonstrates a clear understanding of the **rationale, drivers and objectives** for the spending proposal, which must be made SMART
 - Specific, Measurable, Achievable, Relevant and Time constrained – for the purposes of post-evaluation.
- Outlines potential **benefits, risks, constraints** and **dependencies** associated with the proposal.



Economic Case

The economic case presents the economic assessment/cost-benefit analysis of the scheme in line with government guidance.

- It assesses options and, where possible and proportionate, it monetises costs and benefits.
- It demonstrates that a wide range of realistic options have been appraised, in terms of how well they meet the spending objectives and critical success factors for the scheme.
- It identifies the proposal that delivers best public value to society, including wider social and environmental effects.
- This informs decision making and is considered alongside other non-monetised and strategic factors.
- The economic case is where we present our economic and transport modelling and other analysis.
It brings together the evidence we have, which underpins any assumptions.
- It concludes with a Benefit Cost Ratio (BCR), which provides a single quantitative summary of the economic assessment.



Our approach to modelling passenger demand

- EWR is developing and calibrating a demand model as a tool to forecast passenger demand.
- The demand model forecasts trips based upon the characteristics of the areas around stations and the service level between stations, and is calibrated upon existing rail ticket sale data.
- All demand modelling is inherently uncertain, especially when modelling demand to and from new stations. In the case of EWR, we will be creating new opportunities to travel via rail, as well as opening new stations.
- Changes in travel patterns related to the Coronavirus pandemic add a further challenge to demand forecasting at the current time.



Examples of direct benefits considered in an economic case (Level 1 Benefits)

Level 1 Benefits are captured by the BCR.

Journey Time Benefits

These are the journey time savings generated for new and existing users of a rail network.

User Charge Benefits

These are the benefits users would derive from lower train fares, relative to existing rail travel options.

Carbon Cost

These are the disbenefits associated with carbon production.

Congestion Indirect taxation Accidents Local Air Quality Noise Greenhouse Gases

These are the benefits of a rail scheme, to non-users of the railway, via a reduction in car travel for example.

Examples of indirect benefits considered in an economic case



Benefits derived from there being no change in land use as a result of a transport scheme (Level 2 Benefits – Captured by the BCR)

- **Agglomeration** – close proximity of businesses can lead to benefits such as collaboration, innovation and supply chain improvements.
- **Output change** – The journey time reduction has the potential to reduce input costs for organisations through:
 1. Reducing the amount of time spent on business travel.
 2. Alleviating cost push pressures on wage inflation.
- **Labour supply** – reduced commute times can widen the catchment area for labour

Benefits derived from there being a change in land use as a result of a transport scheme (Level 3 Benefits – Not captured by the BCR)

- **Wider rail network impacts** – A transport scheme may impact other rail lines across the network.
- **Productivity impacts** – The knock-on impacts from a new transport intervention AND a change in land use, on the productivity of workers and organisations.
- **Housing impacts** – There are two classifications:
 1. Dependency – What proportion of a development is considered dependent on the scheme.
 2. Additionality – what would not have occurred in the absence of the intervention.
- **Non-monetised impacts** – Impacts that are hard to monetise, this typically includes things like landscape and biodiversity impacts.
- **Other transport network impacts** – this would typically consider reduction in heavy goods vehicles on roads and the costs associated with maintaining the railway if proposals such as freight are included.

Costs

Capital expenditure

The costs of building the whole scheme.

Operational expenditure

The cost associated with operating services (inc. rolling stock lease costs, fuel costs, station costs, staff costs etc.).

Whole Life Costs

The costs of maintaining and renewing the infrastructure over the life of the asset.

Road Infrastructure

Small reduction in the cost of maintaining and renewing roads due to the modal shift from car use.

Revenue

Additional revenue the scheme is expected to generate for scheme operators (assumed to flow back to DfT through the franchise system).

Financial Case

Is the scheme affordable?

Is there a feasible path to securing funding for the scheme?

The purpose of the financial dimension of the Business Case is to demonstrate:

- The **affordability and funding** of the preferred option, including the support of stakeholders and customers, as required.
- A complete understanding of the **capital, revenue** and **whole life costs** of the scheme.
- How the deal will impact upon the **balance sheet, income and expenditure** and **pricing arrangements** (if any) of the organisation.
- The challenge is to identify and resolve any **potential funding gaps** during the lifespan of the scheme.

Commercial Case

Is there a robust strategy for procuring and delivering the scheme?

The purpose of the **commercial** dimension of the Business Case is to demonstrate:

- The preferred option will result in a **viable procurement** and a **well-structured deal** between the public sector and its service providers.
- Understanding of the **market** place, **knowledge of what is realistically achievable by the supply side** and research into the **procurement routes that will deliver best value** to both parties.
- A clear understanding of the **services, outputs** and **milestones** required to be achieved.
- How the potential **risks** in the **Design, Build, Funding and Operational** phases of the scheme can best be allocated between the public and private sectors and reflected in the charging mechanism and contractual arrangements.
- The challenge for the public sector is to **be an 'intelligent customer'** and to anticipate from the outset how best public value can continue to be secured in during the contract phase in the face of inevitable changes to business, organisational and operational requirements.



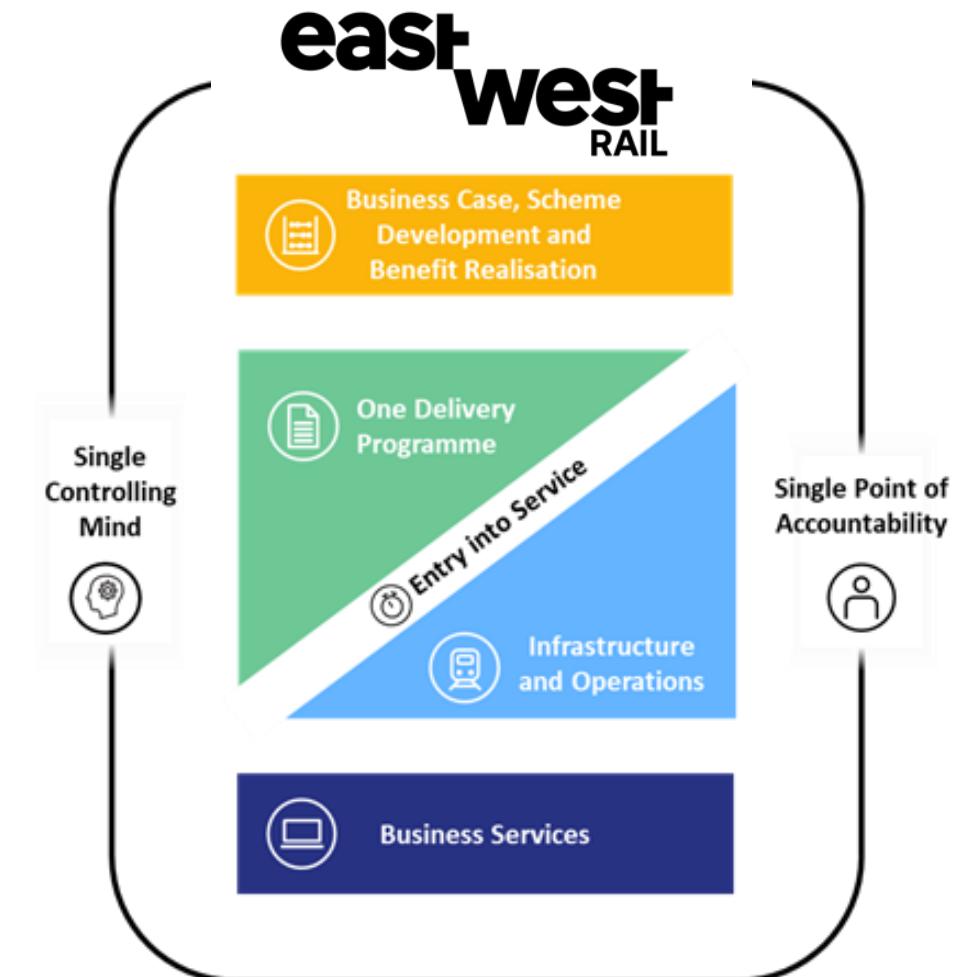
Management Case

Is the scheme deliverable?

How do we intend to monitor and evaluate the scheme after delivery?

The purpose of the **management** dimension of the Business Case is to demonstrate that:

- Robust arrangements are in place for the **delivery, monitoring and evaluation** of the scheme, including feedback into the organisation's strategic planning cycle.
- The preferred option can be **successfully delivered**.
- The scheme is being managed in accordance with **best practice** and subjected to **independent assurance**.
- The necessary arrangements are in place for **change and contract management, benefits realisation and risk management**.



How to influence the Business Case

The Business Case is an evidence-based process.

The information that will support the Business Case is subject to a process of continuous evolution.

We are constantly gathering evidence to improve the quality of the Business Case.

Much of the activity we undertake is used to improve our evidence base, whether it be public consultation, economic modelling, engineering surveys, etc.

We are interested in both qualitative and quantitative evidence. If you wish to contribute to the business case, you can provide evidence by emailing us at: contact@eastwestrail.co.uk



Questions or comments

06.

Topics for future meetings

Topics for future discussion



Suggested topics for meeting #4 onwards – Construction effects and environment: noise, Consultation and Engagement: holding consultation events at Bletchley station, Stations: local stations and the impact of differing timetable.

Discussion: Other topics for future meetings

Agreed frequency: Quarterly meeting

Outcomes

Actions

06. Closing remarks

We're always here

All the Group's relevant documents will be available on its **Community Hub** site.

We will notify you when available.



Got a question?

If you have any questions about the Group, please email:

localrepresentativesgroups@eastwestrail.co.uk

If you have any questions about the project, please email:

contact@eastwestrail.co.uk

Or you can also call us on **0330 134 0067**

Creating meeting notes



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