

10.0 Overall Value for Money Conclusions

- 10.1 In Chapter 6.0 this appraisal sought to identify, measure and place a monetary value on those impacts which can be readily quantified. The balance between the benefits and costs was used to show how worthwhile this scheme is. The Benefit to Cost Ratio (BCR) has been calculated for the preferred scheme as 10.32 (without optimism bias) and 8.97 after applying the 15% cost uplift value advised by Government as applicable for this project (see para. 13.2 for details). Comparative figures for the low cost alternative are 10.56 and 9.18 respectively.
- 10.2 The value for money given by the BCR measures the benefit for each £1 of public expenditure. A BCR of less than 1 would indicate that monetised costs actually outweigh monetised benefits. The value of monetised benefits accruing to society in the case of the preferred Hucknall Town Centre Improvement Scheme would be £10.32 for each £1 invested.
- 10.3 The Government has published 'Guidance on Value for Money' which categorises Value for Money (VfM) thus;

VfM category	Generally Options which have:
Poor VfM	BCR less than 1
Low VfM	BCR between 1 and 1.5
Medium VfM	BCR between 1.5 and 2.0
High VfM	BCR over 2.0

On this basis both the proposed preferred scheme and low cost alternative for Hucknall town centre fall into the 'High' VfM category satisfying the Department's financial criteria and as such should be a priority for funding when compared to schemes with lower VfM ratings.

- 10.4 In addition to the monetised impacts this report has also assessed and examined the likely significance of non-monetised impacts, see Chapter 15 for details. The significance of the impacts which cannot currently be converted into a monetised form are summarised alongside those which can be valued in the Assessment Summary Tables (AST), see Tables 4 and 11 attached. This enables decisions to be taken after due consideration to all significant impacts of the scheme. This ensures that simple value for money, of those elements which can be costed, is not the sole basis for decisions.
- 10.5 The AST for both the preferred scheme and the low cost alternative indicates that the schemes likely impact on the environment is largely neutral. For example the impact on biodiversity indicates that although there will be the loss of some woodland and scattered broadleaved trees, appropriate mitigation measures would be implemented to ensure that there is no net loss of nature conservation value. Beneficial impacts are reported for Local Air Quality and Journey Ambience whilst slight adverse impacts are indicated for the likely impact on the Heritage of Historic Resources and the emission

of Greenhouse Gases. As a consequence the overall environmental impact is judged to be minimal and this is not considered to lessen either the schemes VfM or shift it into a lower VfM category.

- 10.6 The VfM score does not include the value of any wider economic impacts of regeneration of the local economy that this scheme will assist. The investment in the urban fabric that this scheme would deliver should prove the catalyst for private commercial inward investment.
- 10.7 Overall the proposed Hucknall Town Centre Improvement Scheme represents a very worthwhile project in terms of quantifiable VfM and this excludes the significance of the regeneration benefits that should be assisted by this transport investment.