

Our ref: FOI 154-58

Mr Chris Todd

Sent via Email: request-292308-064091cb@whatdotheyknow.com

Daniel Beckley
 Team Executive
 2nd Floor
 Bridge House
 Walnut Tree Close
 Guildford
 GU1 4LZ

Direct Line: 0300 470 1324

13 October 2015

Dear Mr Todd

I am writing to confirm that we have now completed our search for the information which you requested on 11 June 2015 about the explanation of figures supplied for cost benefit analysis of A27. Please see the response to your questions below.

- 1. In Table 1, how accurate are the figures provided given that under the basic cost for the Arundel Bypass, the no inflation, no risk cost difference between the 2 options is only £30 million, yet is over £100 million when inflation is included?**

Our outturn for Option 2 which is referred to as Option B on page 1 of the attachment, has a base cost of £183 million but an outturn value of £259 million after inflation but before programme risk. This is compared to the previous report's £320 million. This is due to a regrettable lookup error in our spreadsheet upon which this figure is based. The correct figures for the two options are included in the attached technical note. The correct figure for Option 2 (including inflation) is £259.2 million, which would result in a difference of £46 million from Option 1.

- 2. What is the inflation rate used to generate the figures in table 1?**

Please see the chart below, Please note FY stands for Financial Year. Inflation Indices are provided and agreed with the Department for Transport.

FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27
4.30%	4.20%	4.10%	3.80%	3.80%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

- 3. In table 2 how much cost has been allocated to purchasing homes to allow for widening the A27 through Worthing and Lancing.**

In the cost estimate a total of £5,956,715 (excluding risk and inflation) was allocated to land purchases and Part 1 Claims.

4. How many homes will need to be purchased to allow the road widening to take place in Worthing and Lancing?

The improvement through Worthing and Lancing could take a number of forms and at this time no decision has been made on how many properties would need to be purchased if any at all.

5. Can you explain why the levels assigned to 'Indirect Tax Revenues', 'Greenhouse Gases' and 'Accident Savings' are always identical in Table 4, except for Selmeston?

This is due to a regrettable lookup error in our spreadsheet upon which the table is based. Please see attached a revised version in which the values for “Greenhouse Gases” and “Accident Savings” are correctly displayed.

6. How greenhouse gas emissions will fall for an Arundel Bypass and Worthing Tunnels but not for other road building options in Table 4?

Please refer to the revised Table 4 attached. The modelling results show a disbenefit to greenhouse gases for the Arundel Bypass and Worthing Tunnel options, and a positive benefit for the other options (with the exception of the Selmeston bypass). Please note that the calculation of greenhouse gas emissions benefits is calculated through the modelling assessment across the entire model and is impacted by traffic volumes, speeds and vehicle type.

7. What level of induced traffic was assumed in producing the figures in Table 4?

No induced traffic was assumed. A fixed matrix highway assignment model was used for the assessment as indicated in Section 4.3 of report 3 of 3 Investment Cases.

Most documents supplied by Highways England will be Crown Copyright. Most Crown Copyright information can be re-used under the Open Government Licence. For information about OGL and about re-using Crown Copyright information please see The National Archives website.

If you are unhappy with the way we have handled your request you may ask for an internal review. Our internal review process is available at:
<https://www.gov.uk/government/organisations/highways-england/about/complaints-procedure>


If you require a print copy, please phone the Information Line on 0300 123 5000; or e-mail info@highwaysengland.co.uk. You should contact me if you wish to complain.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

If you have any queries about this letter, please contact me. Please remember to quote reference number FOI 154-58 in any future communications.

Yours sincerely



Daniel Beckley
NDD Asset Development Team Area 4
Email: daniel.beckley@highwaysengland.co.uk