

STATES OF JERSEY



PUBLIC AND PRIVATE SECTOR CONSTRUCTION WORKFLOW PROJECTIONS

**Presented to the States on 2nd December 2003
by the Economic Development Committee**

STATES GREFFE

COMMENTS FROM THE ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee has the responsibility of administering Part III of the Regulation of Undertakings and Development (Jersey) Law 1973, which has the prime objective of managing the demand on resources specifically related to development. The Committee does this by considering each application for development within the private sector.

The control of the Public Sector Capital Programme is carried out on behalf of the States of Jersey by the Finance and Economics Committee.

Nevertheless, the Committee has monitored and reviewed consolidated data for both the public and private sector demands, and has sought to ensure a steady flow of major construction work (*ref.* Policy Statement R.C.20/2001).

Based on the data for the years 2001 and 2003 inclusive, and on advice from officers involved, the Economic Development Committee is satisfied that the policy objectives are being achieved to a satisfactory degree.

This report is part of a series of quarterly reports that the Committee has committed to publish.

PUBLIC AND PRIVATE SECTOR CONSTRUCTION WORKFLOW PROJECTIONS

The States undertook a review of potential future capital expenditure in March 2000. To enable an equitable comparison of information, all projects were costed as at a base date of December 1999. This base date has been maintained in compiling the workflow projections.

The workflow projections and graphical representations are **indicative** of the level of workflow and are **based upon price levels as at December 1999**.

The figures relate to building construction works over £500,000 in value.

The figures exclude the following –

- (a) all building construction works less than 139 square metres (1,500 square feet) in area;
- (b) all building construction works under £500,000 in value;
- (c) all civil engineering construction works, sewer works and service company works.

Basis of calculation of supporting information

For each project –

- current anticipated contract value is derived;
- contract value is backdated to December 1999;
- a theoretical calculation is applied which apportions a cost per month based upon construction period;
- the monthly apportioned figures (as at December 1999) are applied to the actual construction period;
- individual projects are totalled per calendar month and quarterly totals derived which are then rounded to the nearest £1,000.

Public sector

Programme – the public sector includes projects in the forward capital programme when included within the annual resource plan. The programme is monitored monthly and adjusted to reflect the anticipated status of all projects.

Value – contract values are monitored quarterly and adjusted to reflect the most recent estimate of anticipated construction cost. Upon receipt of tenders and during construction the values are adjusted to reflect actual construction cost.

Private sector

Programme – the private sector is not pro-active in providing information and programming has to rely mainly upon the information provided with applications for a licence under the Regulation of Undertakings and Development (Jersey) Law 1973, Part 3. The information is monitored and adjusted, when information is available, to reflect the anticipated status of all projects.

Value – the establishment of contract value is mainly reliant upon the information provided with applications for a licence under the Regulation of Undertakings and Development (Jersey) Law 1973, Part 3. The veracity of

construction values is checked, where possible, and adjusted to reflect actual construction value when known.

Scope of data

As stated earlier the data is **indicative** of the level of workflow and gives no indication as to the number of construction projects from which the data is derived. The aggregate level of workflow is capable of representing only a few major projects to very many smaller ones. Therefore, care needs to be exercised in what assumptions are drawn from the data.

QUARTERLY FORECAST OF PUBLIC AND PRIVATE SECTOR WORKFLOW

All figures relate to December 1999 price base –

21-Nov-2003

Current Projected Workflow			Previous Projected Workflow (December 2002)		
Public Sector £'000/quarter	Private Sector £'000/quarter	Total Both Sectors £'000/quarter	Public Sector £'000/quarter	Private Sector £'000/quarter	Total Both Sectors £'000/quarter
14,372	18,080	32,452	14,372	18,120	32,492
14,343	16,713	31,056	14,343	17,174	31,517
15,047	15,839	30,886	15,047	16,315	31,362
14,560	14,753	29,313	14,560	14,686	29,246
10,019	13,197	23,216	10,019	12,818	22,837
6,016	12,305	18,321	6,016	12,473	18,489
4,752	9,751	14,503	5,544	11,746	17,290
2,527	9,529	12,056	4,877	12,867	17,744
1,941	12,354	14,295	6,930	15,037	21,967
3,856	13,347	17,203	11,600	15,748	27,348
8,001	14,611	22,612	13,424	15,797	29,221
11,774	15,760	27,534	12,872	14,964	27,836
107,208	166,239	273,447	129,604	177,745	307,349

YEARLY FORECAST OF PUBLIC AND PRIVATE SECTOR WORKFLOW

All figures relate to December 1999 price base –

21-Nov-2003

Current Projected Workflow			Previous Projected Workflow (December 2002)		
Public Sector £'000/year	Private Sector £'000/year	Total Both Sectors £'000/year	Public Sector £'000/year	Private Sector £'000/year	Total Both Sectors £'000/year
58,322	65,385	123,707	58,322	66,295	124,617
23,314	44,782	68,096	26,456	49,904	76,360
25,572	56,072	81,644	44,826	61,546	106,372
107,208	166,239	273,447	129,604	177,745	307,349

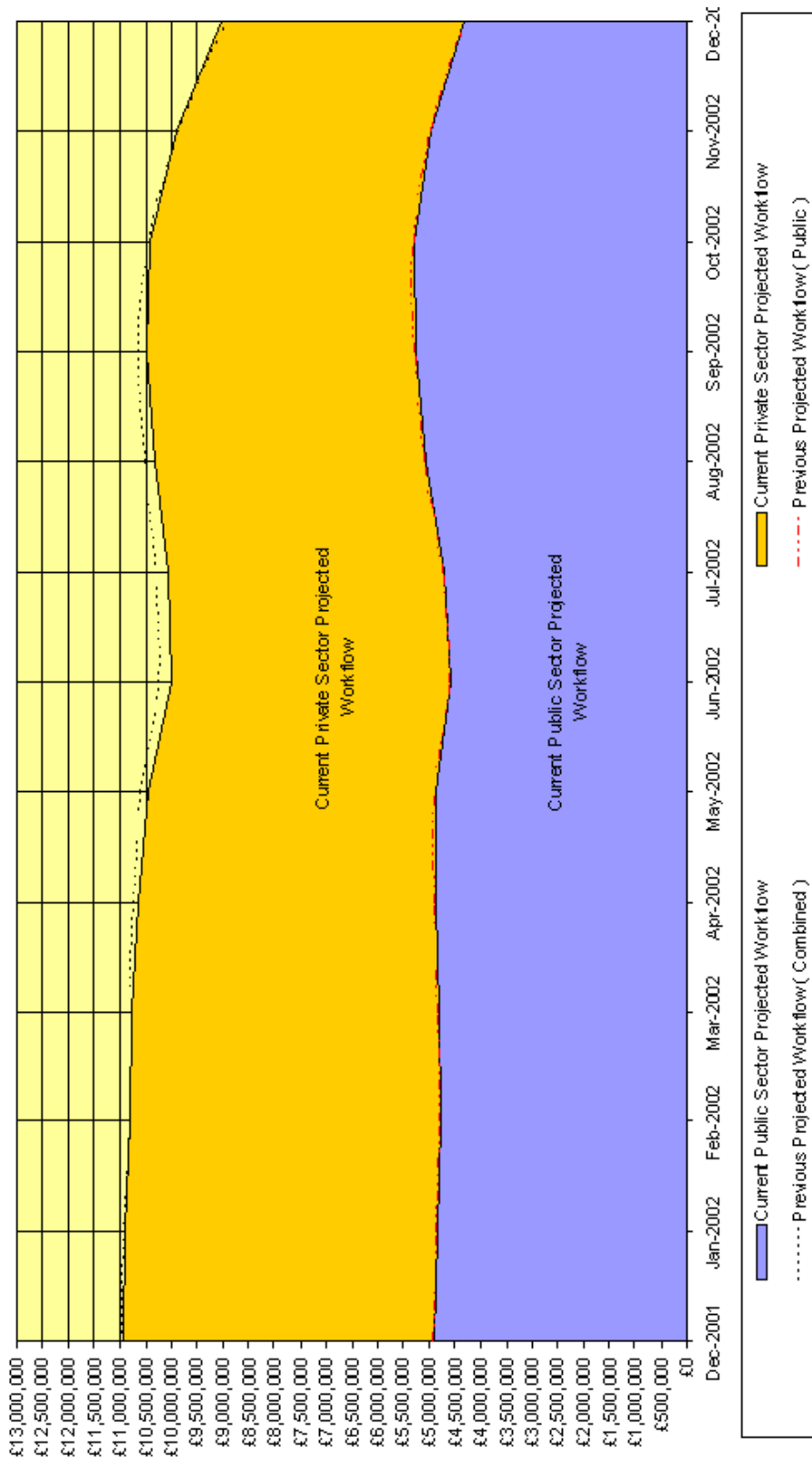
PRIMARY BREAKDOWN OF PUBLIC AND PRIVATE SECTOR PROJECTED WORKFLOW

All figures relate to December 1999 price base –

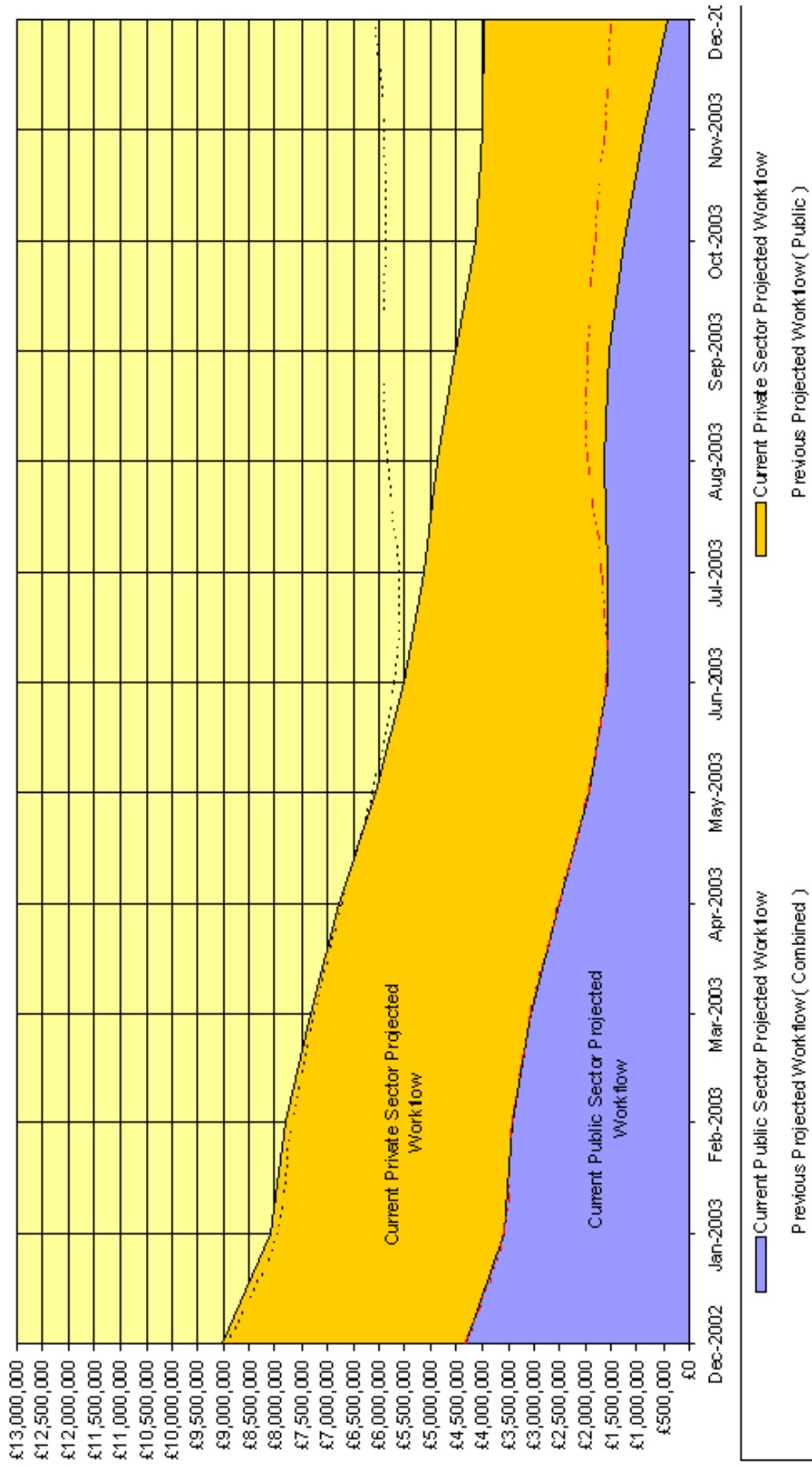
21-Nov-2003

Year	Public Sector Projections			Private Sector Projections		
	Residential £'000/year	Educational £'000/year	Other £'000/year	Residential £'000/year	Commercial £'000/year	Community £'000/year
2002	18,843	14,620	24,858	43,438	21,947	0
2003	1,659	8,103	13,552	37,839	6,416	527
2004	5,722	10,576	9,273	35,022	21,050	0
	26,224	33,299	47,683	116,299	49,413	527

Public and Private Sector Projects 2002 (as at September 2003) - December 1999 Price Base



Public and Private Sector Projects 2003 (as at September 2003) - December 1999 Price Base



Public and Private Sector Projects 2004 (as at September 2003) - December 1999 Price Base

