

STATES OF JERSEY



PUBLIC AND PRIVATE SECTOR CONSTRUCTION WORKFLOW PROJECTIONS

**Presented to the States on 22nd June 2004
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 to 2004 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 –

20-May-2004

Current Projected Workflow			Previous Projected Workflow (September 2003)		
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
10,019	13,197	23,216	10,019	13,197	23,216
6,016	12,305	18,321	6,016	12,305	18,321
4,752	9,751	14,503	4,752	9,751	14,503
2,527	9,529	12,056	2,527	9,529	12,056
1,818	12,801	14,619	1,941	12,354	14,295
3,499	14,568	18,067	3,856	13,347	17,203
7,509	15,731	23,240	8,001	14,611	22,612
11,207	14,982	26,189	11,774	15,760	27,534
13,290	13,426	26,716	13,884	14,778	28,662
14,109	11,703	25,812	14,834	12,836	27,670
12,947	10,563	23,510	13,544	10,997	24,451
10,421	9,041	19,462	10,971	8,417	19,388
98,114	147,597	245,711	102,119	147,882	250,001

YEARLY FORECAST OF PUBLIC AND PRIVATE SECTOR WORKFLOW

All figures relate to December 1999 price base –

20-May-2004

Current Projected Workflow			Previous Projected Workflow (September 2003)		
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
23,314	44,782	68,096	23,314	44,782	68,096
24,033	58,082	82,115	25,572	56,072	81,644
50,767	44,733	95,500	53,233	47,028	100,261
98,114	147,597	245,711	102,119	147,882	250,001

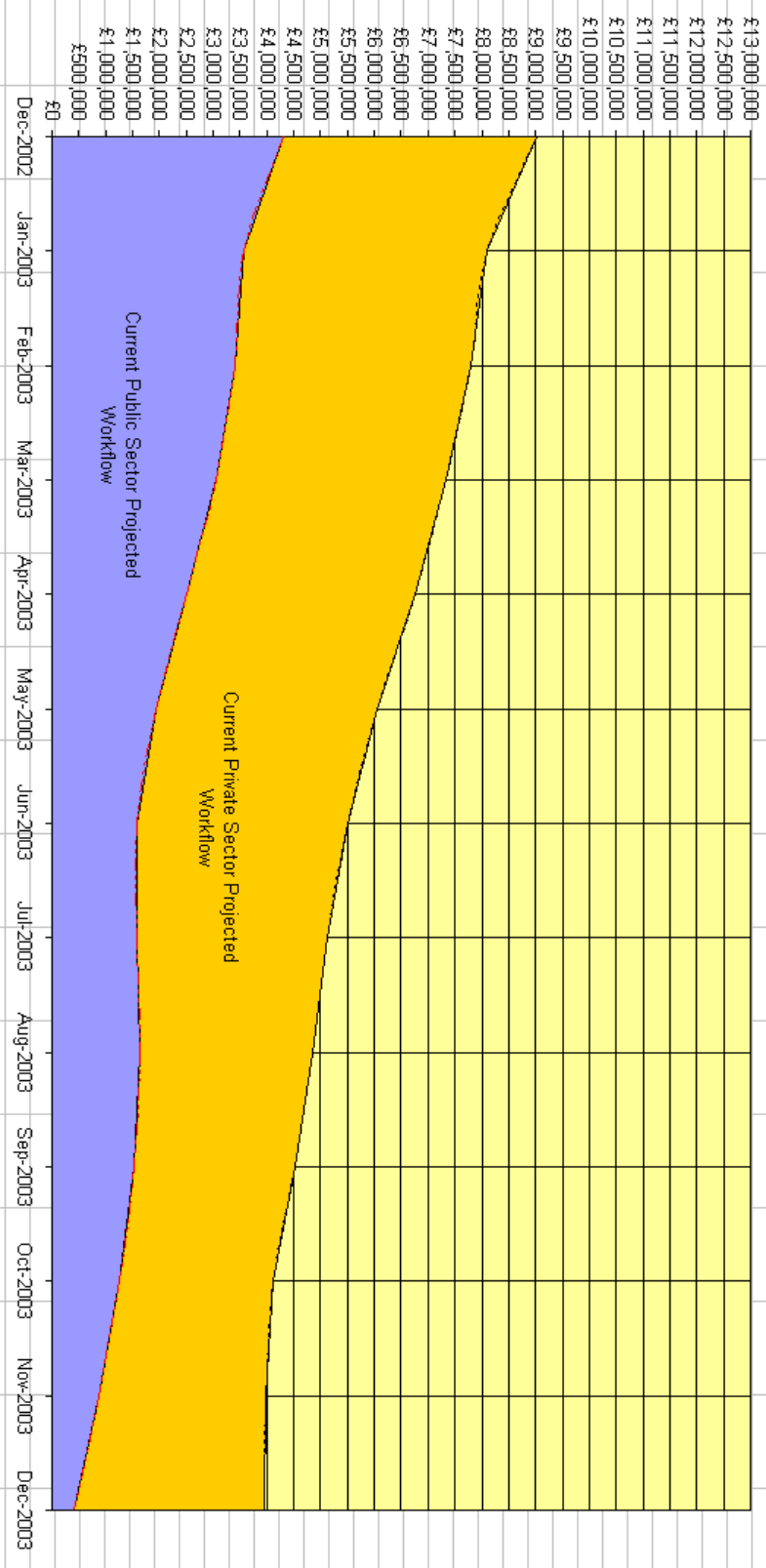
PRIMARY BREAKDOWN OF PUBLIC AND PRIVATE SECTOR PROJECTED WORKFLOW

All figures relate to December 1999 price base –

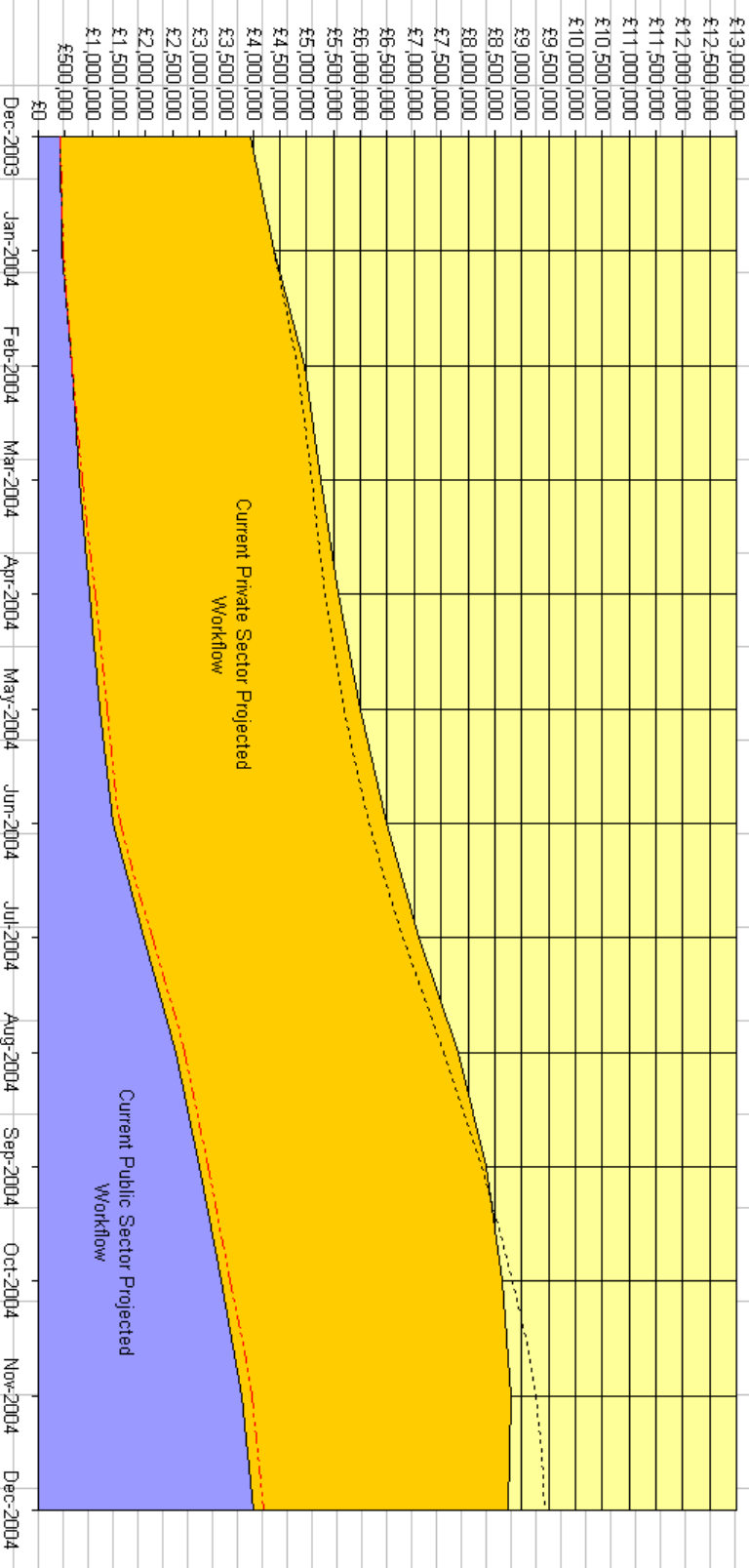
20-May-2004

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
2003	1,659	8,103	13,552	37,839	6,416	527
2004	5,478	9,281	9,273	38,703	19,379	0
2005	26,613	12,499	11,654	21,106	23,627	0
	33,750	29,883	34,479	97,648	49,422	527

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

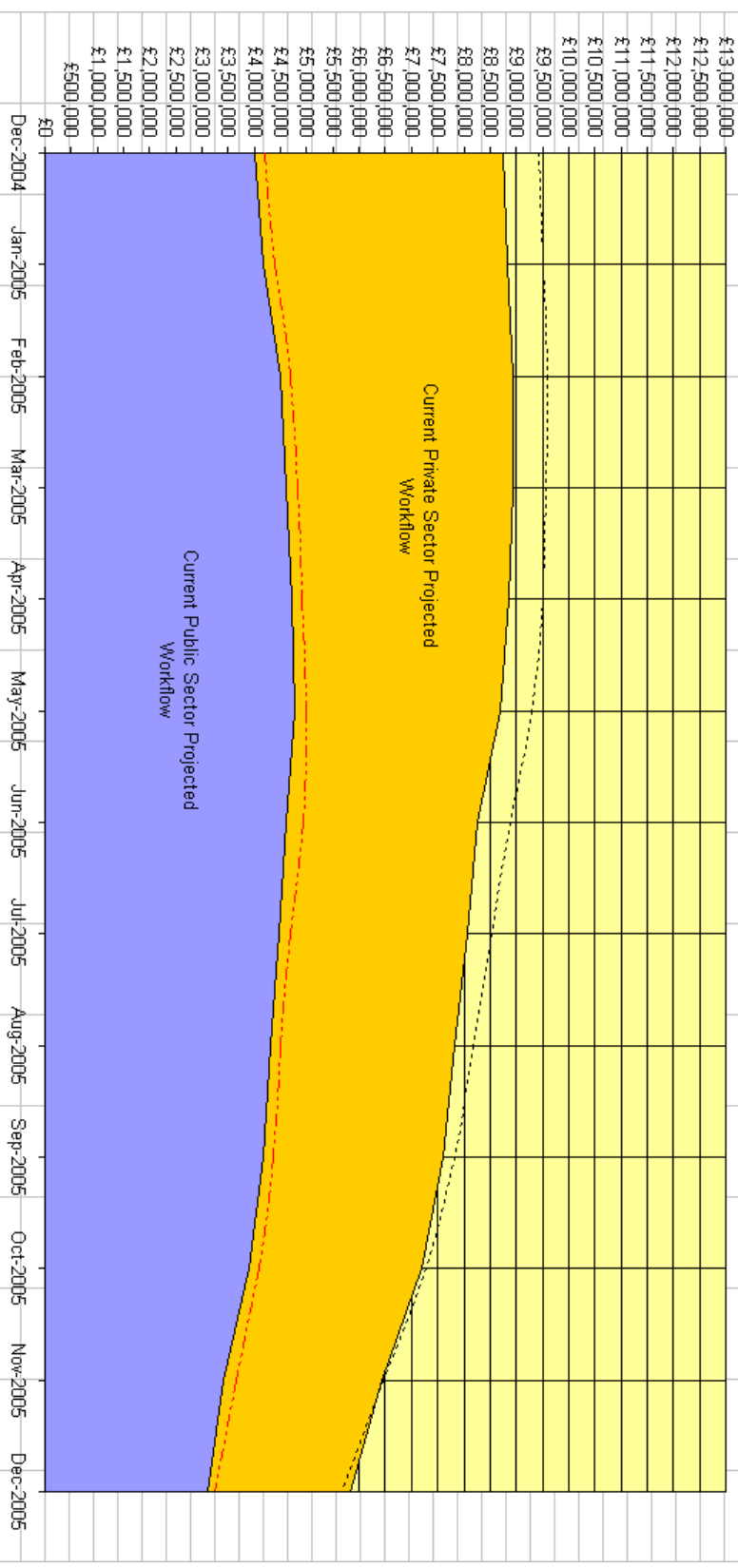


Public and Private Sector Projects 2004 (as at December 2003) - December 1999 Price Base



Current Public Sector Projected Workload
 Current Private Sector Projected Workload
 Previous Projected Workload (Combined)
 Previous Projected Workload (Public)

Public and Private Sector Projects 2005 (as at December 2003) - December 1999 Price Base



Current Private Sector Projected Workload
 Current Public Sector Projected Workload
 Previous Projected Workload (Combined)
 Previous Projected Workload (Public)