

STATES OF JERSEY



PUBLIC AND PRIVATE SECTOR CONSTRUCTION WORKFLOW PROJECTIONS

**Presented to the States on 19th April 2005
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 –

Current Projected Workflow			Previous Projected Workflow (September 2004)		
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
10,037	13,197	23,234	10,037	13,197	23,234
6,033	12,305	18,338	6,033	12,305	18,338
4,758	9,752	14,510	4,758	9,752	14,510
2,522	9,539	12,061	2,522	9,539	12,061
1,803	12,861	14,664	1,803	12,861	14,664
3,920	14,905	18,825	3,920	14,905	18,825
6,176	17,859	24,035	6,176	17,745	23,921
8,399	19,861	28,260	8,436	19,234	27,670
9,204	19,196	28,400	11,101	18,908	30,009
9,378	18,219	27,597	12,302	18,275	30,577
9,117	16,238	25,355	11,135	16,419	27,554
9,337	15,559	24,896	10,426	14,812	25,238
80,684	179,491	260,175	88,649	177,952	266,601

YEARLY FORECAST OF PUBLIC AND PRIVATE SECTOR WORKFLOW

All figures relate to December 1999 price base –

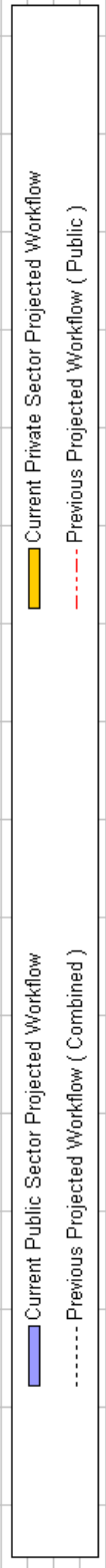
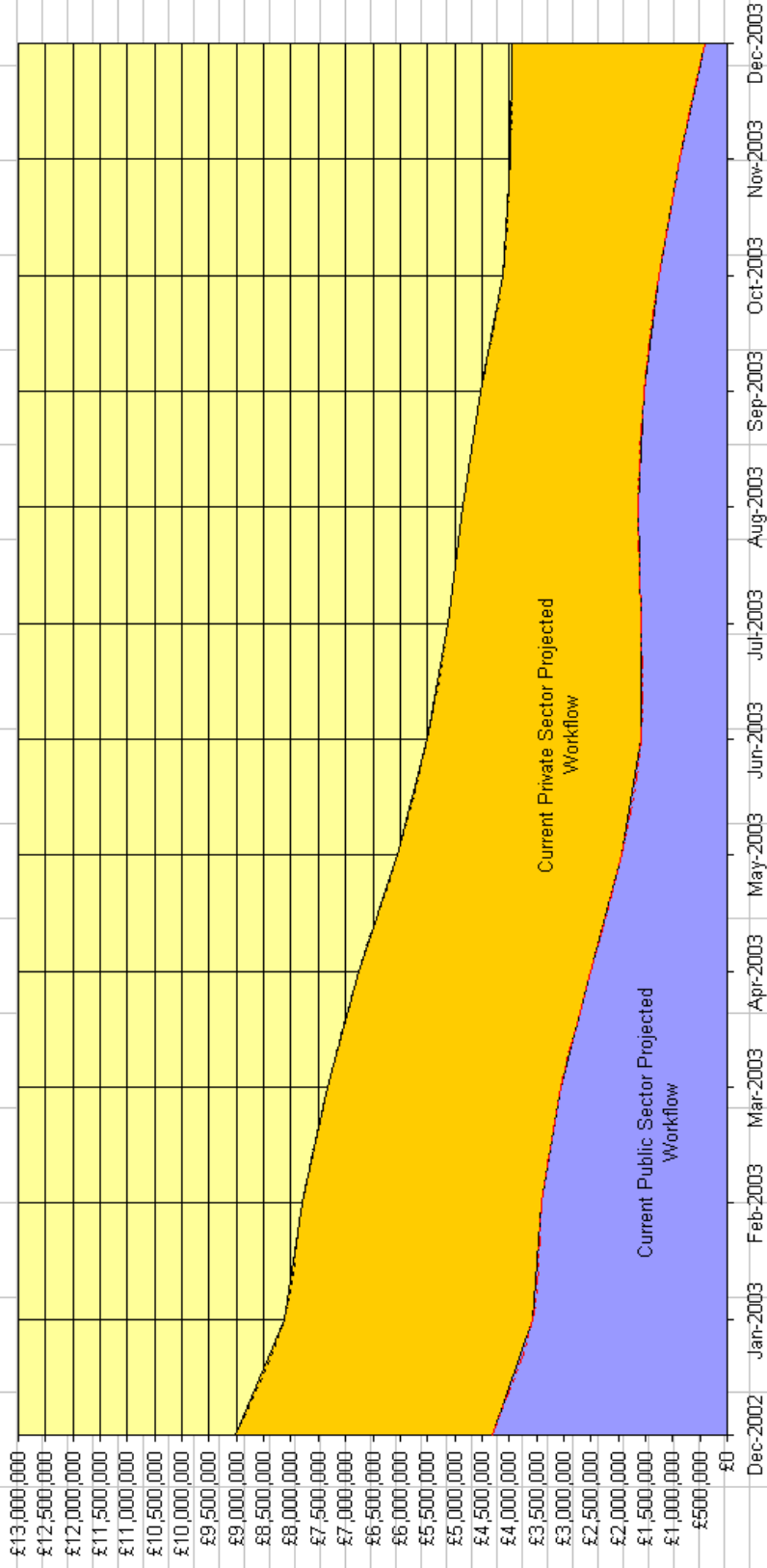
Current Projected Workflow			Previous Projected Workflow (September 2004)		
Public Sector £'000/year	Private Sector £'000/year	Total Both Sectors £'000/year	Public Sector £'000/year	Private Sector £'000/year	Total Both Sectors £'000/year
23,350	44,793	68,143	23,350	44,793	68,143
20,298	65,486	85,784	20,335	64,745	85,080
37,036	69,212	106,248	44,964	68,414	113,378
80,684	179,491	260,175	88,649	177,952	266,601

PRIMARY BREAKDOWN OF PUBLIC AND PRIVATE SECTOR PROJECTED WORKFLOW

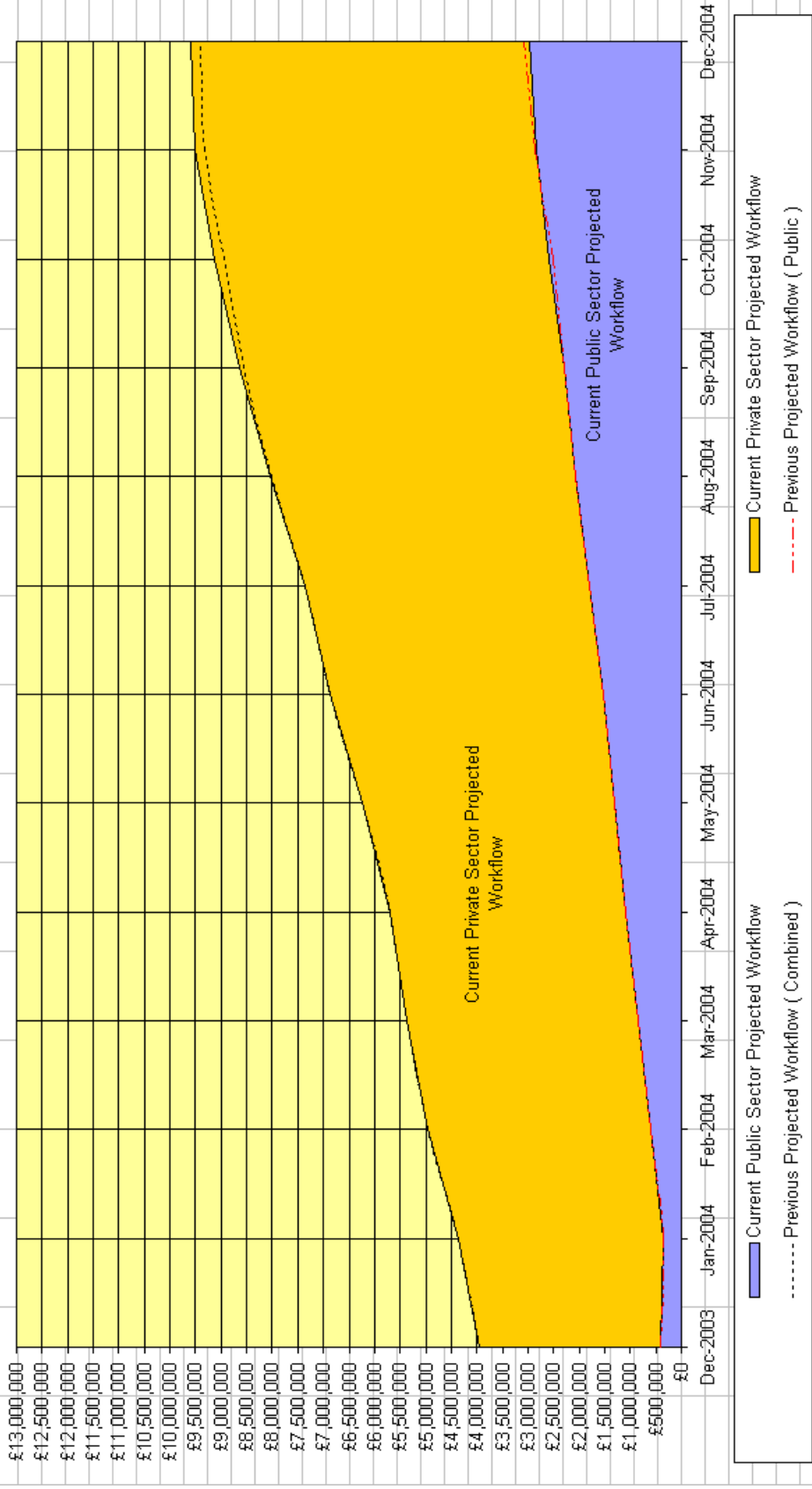
All figures relate to December 1999 price base –

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	8,075	13,616	37,846	6,421	527
2004	4,503	10,713	5,081	46,540	18,946	0
2005	18,259	12,468	6,308	53,760	15,452	0
	24,421	31,256	25,005	138,146	40,819	527

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



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



Public and Private Sector Projects 2005 (as at December 2004) - December 1999 Price Base

