

# **STATES OF JERSEY**



## **PUBLIC AND PRIVATE SECTOR WORKFLOW PROJECTIONS**

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**Presented to the States on 27th May 2003  
by the Economic Development Committee**

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**STATES GREFFE**

## **COMMENTS FROM THE CONSTRUCTION INDUSTRY BOARD ON THE PUBLIC AND PRIVATE SECTOR WORKFLOW PROJECTIONS**

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.

The Industries Committee published its first report in June 2002 and undertook to publish further reports on a regular 6-monthly basis. However, the Economic Development Committee intends to publish future reports on a quarterly basis.

## **PUBLIC AND PRIVATE SECTOR 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 –

31-Mar-2003

Quarter	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
March 2002	14,372	18,120	32,492	14,372	18,120	32,492
June 2002	14,343	17,174	31,517	14,343	17,189	31,532
September 2002	15,047	16,315	31,362	15,133	16,450	31,583
December 2002	14,560	14,686	29,246	14,830	14,994	29,824
March 2003	10,019	13,104	23,123	10,296	13,661	23,957
June 2003	6,016	13,321	19,337	6,168	13,627	19,795
September 2003	5,587	12,706	18,293	5,920	15,036	20,956
December 2003	6,110	12,812	18,922	6,834	17,013	23,847
March 2004	8,295	14,672	22,967	8,725	18,143	26,868
June 2004	12,486	15,278	27,764	13,013	17,389	30,402
September 2004	13,830	14,834	28,664	14,819	15,077	29,896
December 2004	12,799	13,946	26,745	13,935	12,350	26,285
	133,464	176,968	310,432	138,388	189,049	327,437

## YEARLY FORECAST OF PUBLIC AND PRIVATE SECTOR WORKFLOW

All figures relate to December 1999 price base –

31-Mar-2003

Year	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
2002	58,322	66,295	124,617	58,678	66,753	125,431
2003	27,732	51,943	79,675	29,218	59,337	88,555
2004	47,410	58,730	106,140	50,492	62,959	113,451
	133,464	176,968	310,432	138,388	189,049	327,437

## PRIMARY BREAKDOWN OF PUBLIC AND PRIVATE SECTOR PROJECTED WORKFLOW

All figures relate to December 1999 price base –

31-Mar-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	43,471	22,824	0
2003	3,660	8,923	15,150	42,386	9,030	527
2004	19,998	17,112	10,299	30,488	28,242	0
	42,501	40,655	50,307	116,345	60,096	527







