

South West Wales Best Practice Club

What's in the 'Pipeline'?

12th November 2013



Martin Nicholls

Chair



What's in the 'Pipeline'?

(for Welsh Local Authorities)

Presentation to South West Wales Best Practice Club

Mark Adams

12th November 2013

Introduction

- The Research Project
- Next Steps: Taking the work forward
- 2013/14 Forward Programme
- Consultation



The Research Project

Background

- *'No Turning Back'* : CEW report – October 2010
- Endorsement by Welsh Government Minister for Finance
- Construction Procurement Strategy Steering Group (CPSSG) February 2011
- Phase 1 – 2011/12 LA forward programme
- Phase 2 – 2012/13 LA forward programme



Phase 1

- August 2011 start
- 2011/12 LA Capital Programme
- Council Websites



Phase 1: Key findings

- £860m LA Capital Programme 2011/12
- £400m 2012/13, £200m 2013/14-lack of confidence re: funding
- Very different layouts across the 22 LA's
- Large variety of funding sources (£174m = 20% un-hypothecated)



Phase 1: Supplier Opportunities

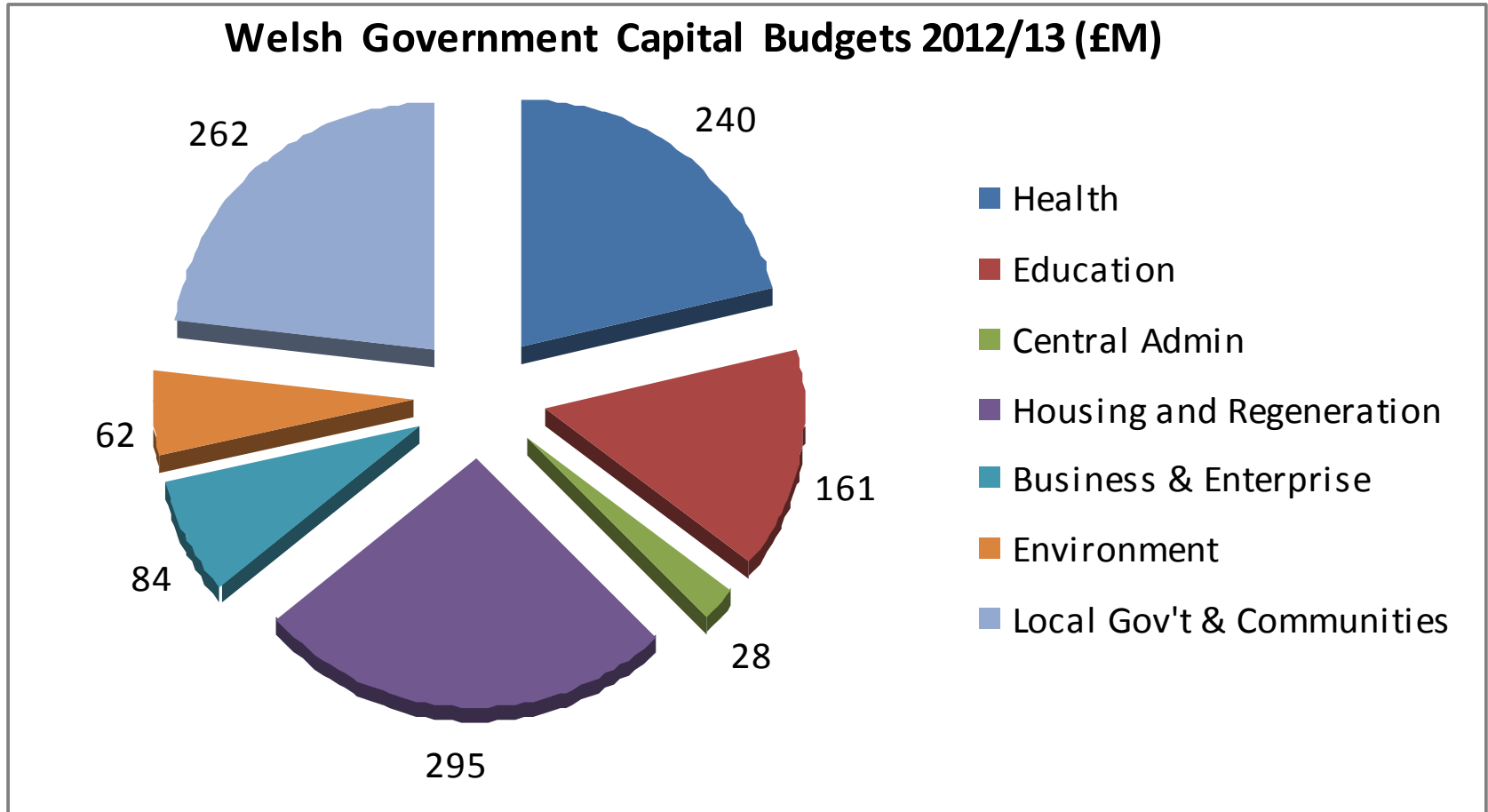
- Works values - net of client, legal, land, design costs
- Value of work for private sector - net of LAs own design/construction capacity
- Frameworks may be in place



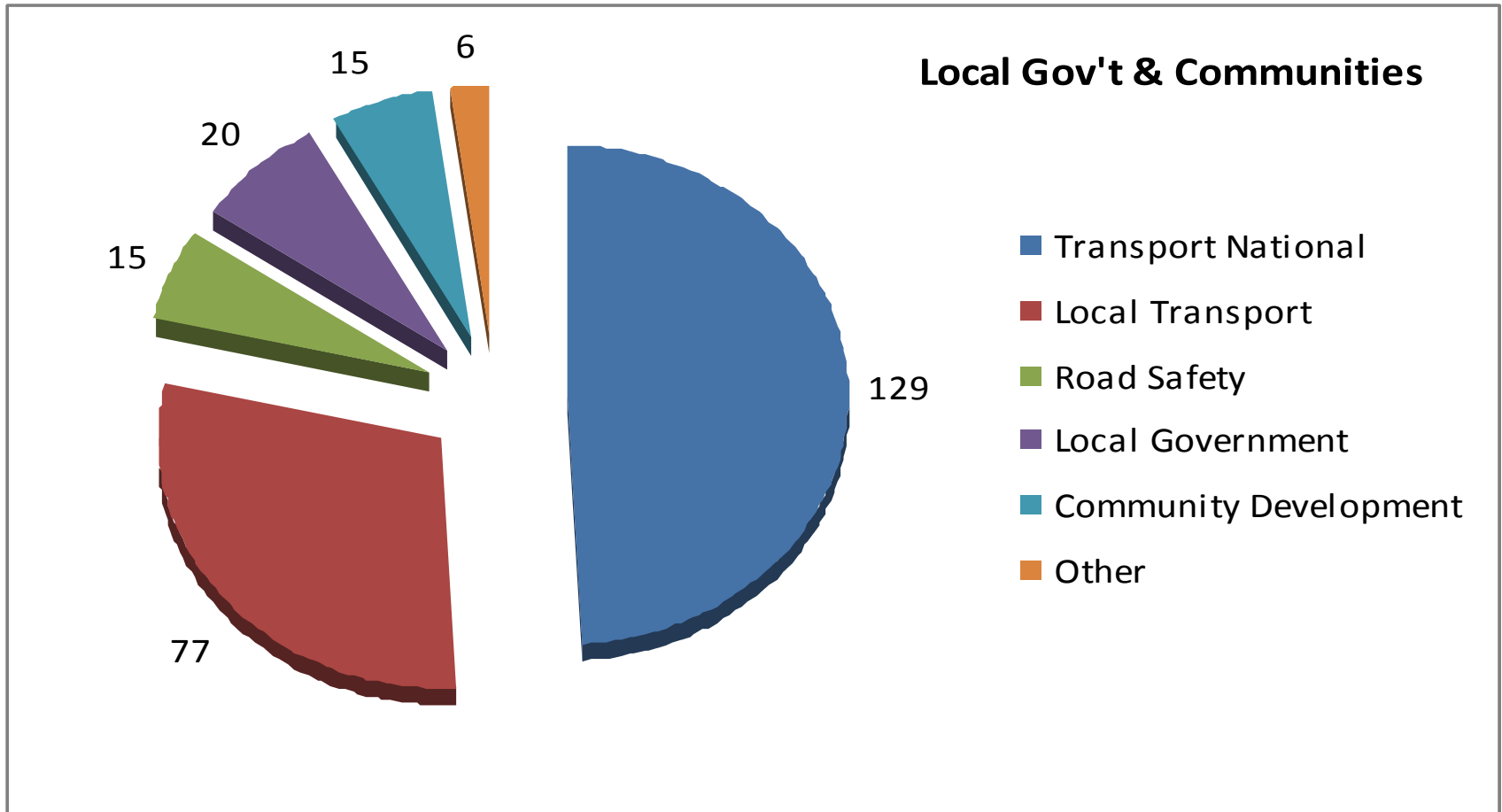
Phase 1: Other findings

- WG Capital – c £1.2bn pa 2012/13 - 2013/14
 - £262m for LG & Communities
 - most LA funding from other WG portfolios
 - e.g schools, regeneration*
- LA Capital Programme > 50% total Welsh public sector

Phase 1: WG Budgets



Phase 1: WG Budgets



Phase 1: Stage 2

- Report to Steering Group in December 2011
- Sector approach for each LA – basis of future collation of programmes
- Work with WLGA to approach LAs for 2012/13 programmes
- Research frameworks that support LA capital programmes
- Emerging Wales Infrastructure Investment Plan



Phase 1: Sectors

- Education
- Social Care
- Highways/Transport
- Environment
- Regeneration
- Housing
- Property / Buildings
- Parks / Leisure
- Plant / Vehicles
- Other



Phase 2: 2012/13 Forward Programmes

- Request from WLGA to each LA
- Dedicated e-mail address
capitalprogrammes@cewales.org.uk
- Report to Council In Q4 2011/12 (as part of budget setting exercise)
- Only information in public domain
- Quick, accurate response from virtually all 22 LAs

Phase 2: 2012/13 Outputs

- Individual LA programmes in sector format
- All-Wales sector programmes
- 2012/13 – 2015/16 summary capital programme
- Sector summary table for each year 2012/13-2015/16



Phase 2: Capital Programme Overview

	12/13	13/14	14/15	15/16	Notes 12/13
Anglesey	26.0	11.4	9.4	-	
Blaenau Gwent	4.8	4.4	-	-	
Bridgend	47.0	23.8	17.7	19.8	Programme shown to 21/22
Caerphilly	16.7	12.1	9.1	-	
Cardiff	125.8	108.9	103.8	90.8	Programme shows 16/17
Carmarthen	52.3	46.1	47.8	-	
Ceredigion	16.6	10.3	9.2	-	
Conwy	26.9	20.4	2.0	-	
Denbighshire	33.7	9.2	6.1	-	
Flintshire	23.8	10.0	9.2	9.2	Programme shown to 21/22
Gwynedd	48.9	30.1	23.3	-	
Merthyr Tydfil	15.1	4.2	5.5	5.5	Programme shown to 19/20
Monmouthshire	31.4	13.1	10.0	8.9	
Neath Port Talbot	61.4	42.5	21.1	-	
Newport	17.1				
Pembrokeshire	49.5	-	-	-	
Powys	69.0	42.3	42.0	40.0	
RCT	63.5	38.0	21.9	-	
Swansea	43.8	42.9	22.9	28.4	
Torfaen	16.6	10.8	12.2	-	
Vale of Glamorgan	29.0	45.2	39.7	29.1	Programme shows 16/17
Wrexham	30.1	19.0	7.8	10.6	
TOTAL	849.0	544.7	420.7	242.3	



Phase 2: Summary Booklets

(2012/13 – 2015/16)

- Sector Programmes
- Regional Programmes
 - different time horizons of individual LA programmes in public domain
 - different degrees of detail for each LA
 - different funding certainty for later years (Education, Housing, Regeneration, Highways/Transport)



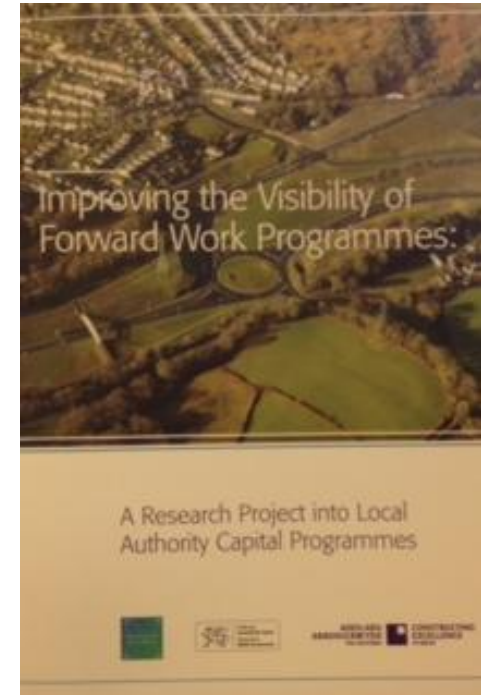
Phase 2: Improved Visibility of Programme: Benefits

- **Suppliers:** better understanding of work streams
- **Clients:** opportunities for collaboration
- **Funders:** highlights problems/inconsistencies



Research Report

- Published in July 2013
- Summarised the research
- Set out the way forward – ‘Next Steps’



Next Steps: Taking the Work Forward

- Annual updates
- Seek improvements in data
- Work closely with WIIP compilers
- Improve accessibility
- Develop the frameworks inventory
- Review other programmes



Annual updates

- Produce 2013/14 forward programme “booklet”
- Seek LA’s assistance, with them coding the programmes to sectors
- Request data earlier (March)
- Carry out consultation exercise and incorporate results into roll forward



Seek data improvements

- Liaise with WLGA/LAs to obtain:-
 - Minimum of 3 year forward programme from each LA
 - Breakdown of capital budget into projects/programmes

WIIP Liaison

- Liaise to ensure our work complements the WIIP
- Discuss the potential improvements to WIIP/LA sectors, data sets
- Identify gaps in current visibility and agree way forward
- Use WIIP communication network to assist development of CPSSG programme

Accessibility of programmes

- Review arrangements for holding programmes on Websites
- Ensure information is cross-referenced
- Develop accessibility of a “family” of programmes

Framework inventory

- Complete missing information for frameworks already identified
- Add frameworks awarded over past 12 months
- Review responsibilities for future updates



Other programmes

- Develop future composite programme arrangements for areas identified for CPSSG from “gap analysis” re: WIIP ambitions
- Liaise with sector representatives re: developing a Housing programme for Stock Transfer companies



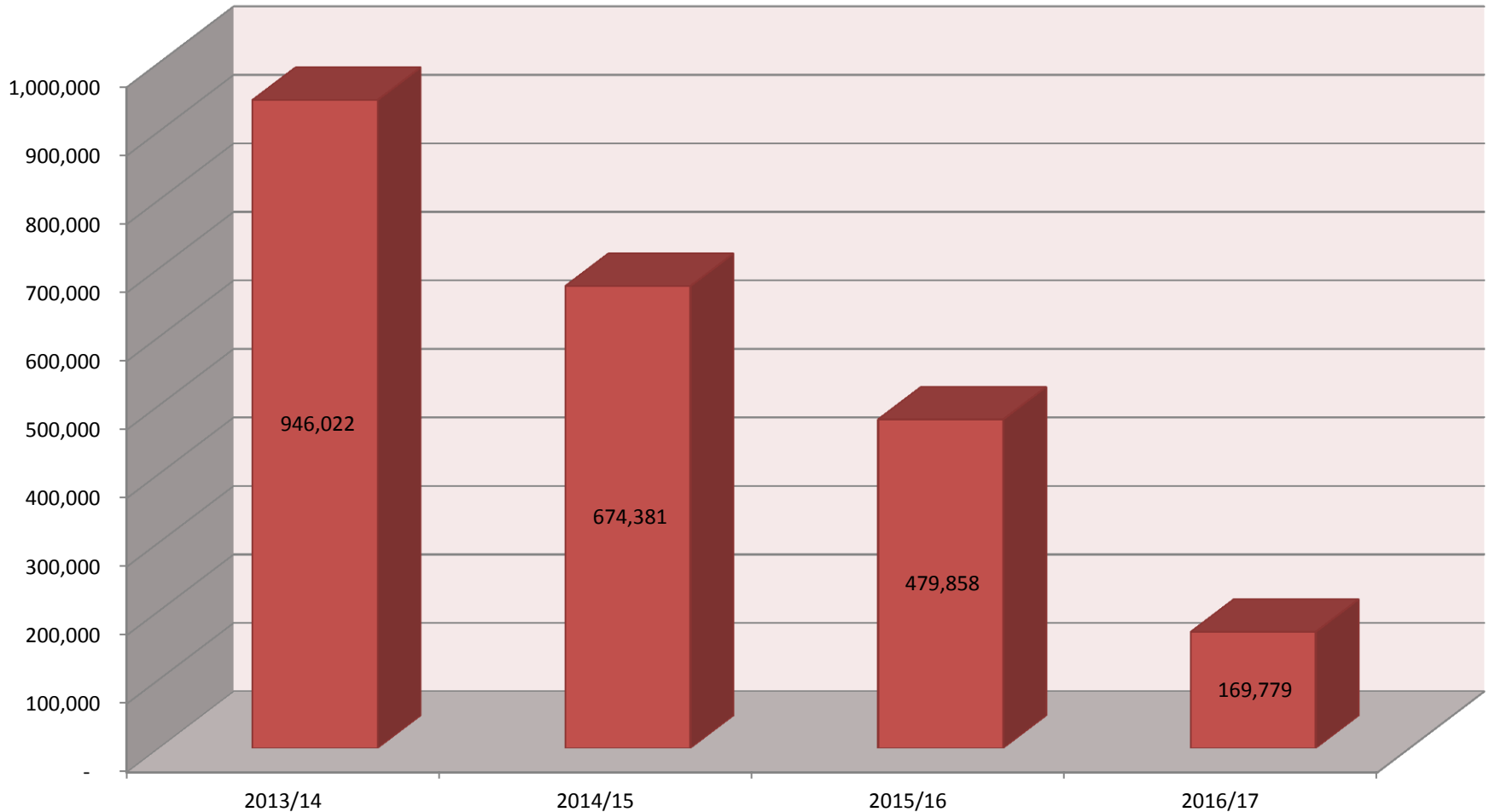
2013/14 Forward Programme

Headlines

- 4 year visible programme = £2.27bn
- 2013/14 annual programme = £946m
- Education = £246m
- Housing = £218m
- Highways = £144m

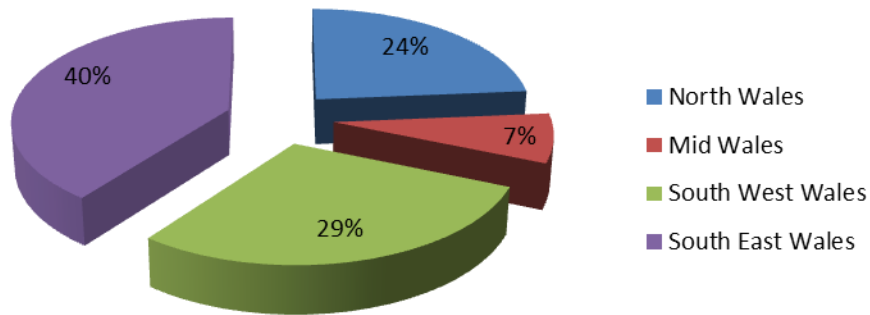


Total Forward Programmes: 2013/14 - 2016/17



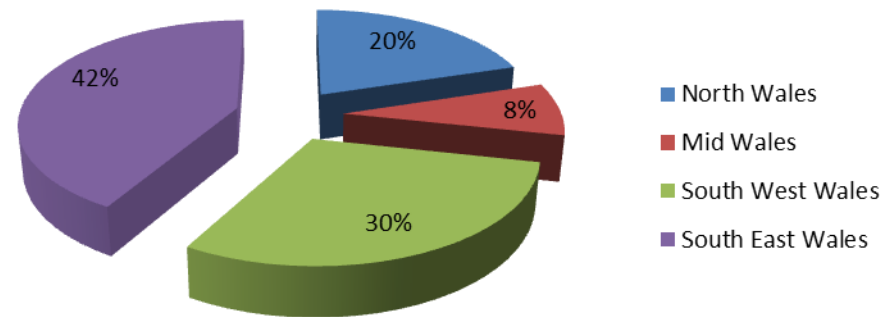
Programme by Region 2013 -14

Total = £946m



Programme by Region 2013/14 - 2016/17

Total = £2270m



Forward Visibility Trends

	Yr 1	Yr 2	Yr3
2013/14 programme	100	71	51
2012/13 programme	100	64	49
2011/12 programme	100	54	34



Forward Visibility

Major Sectors

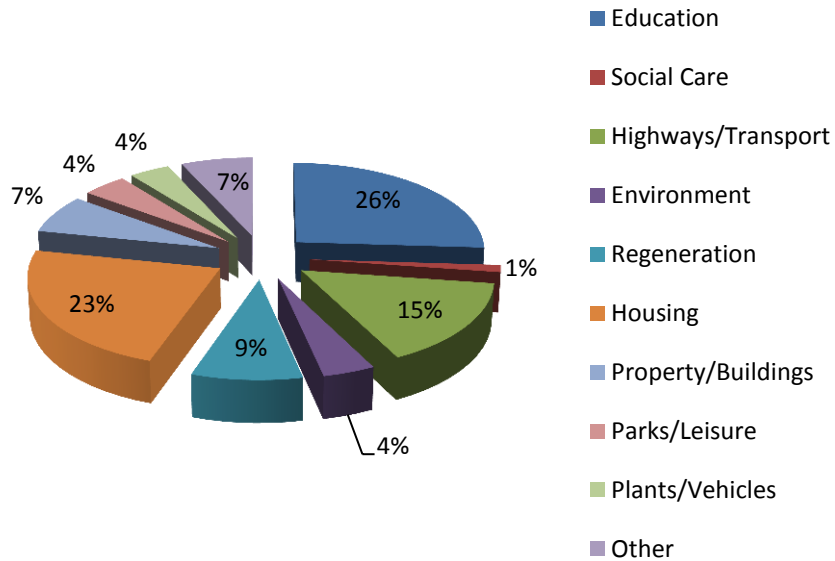
Year 3 (2015/16) as % of Year 1 (2013/14)

- Education - 80%
- Housing - 60%
- Regeneration - 50%
- Highways - 28%

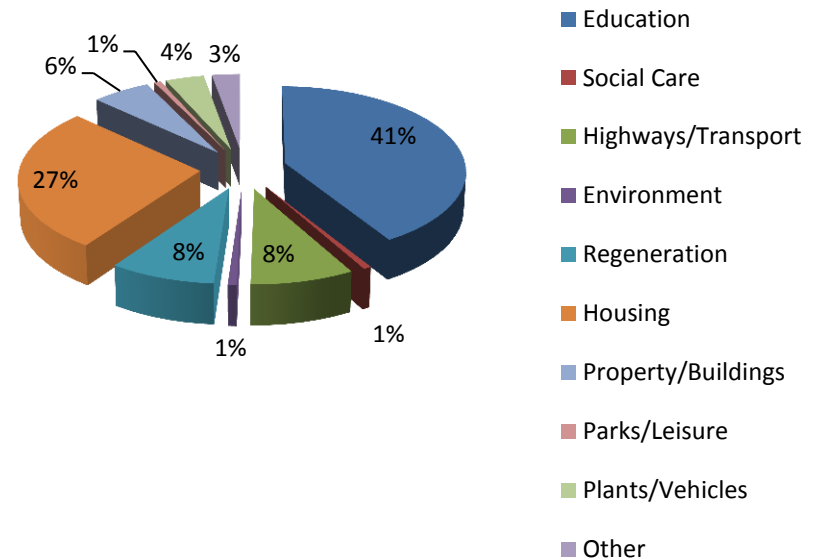
Education + Housing = 69% of total in 2015/16 (only 49% of 2013/14 total)



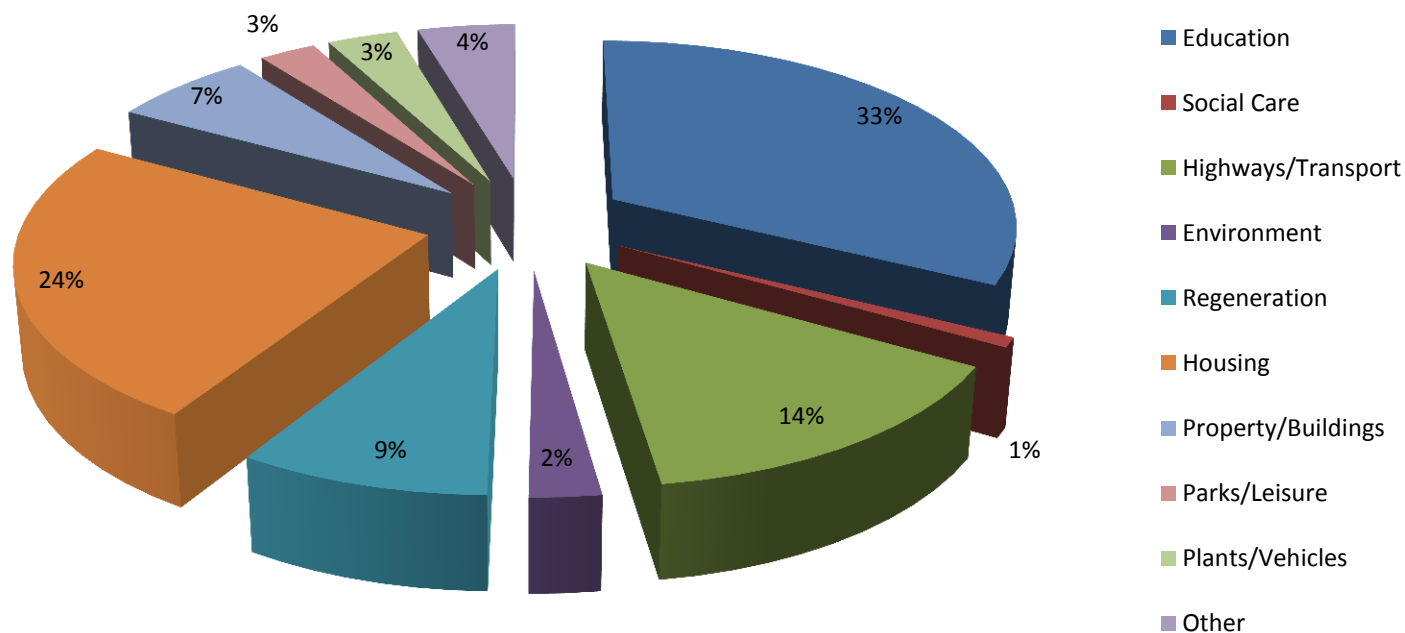
Programme by Sector: 2013/14 Total = £946m



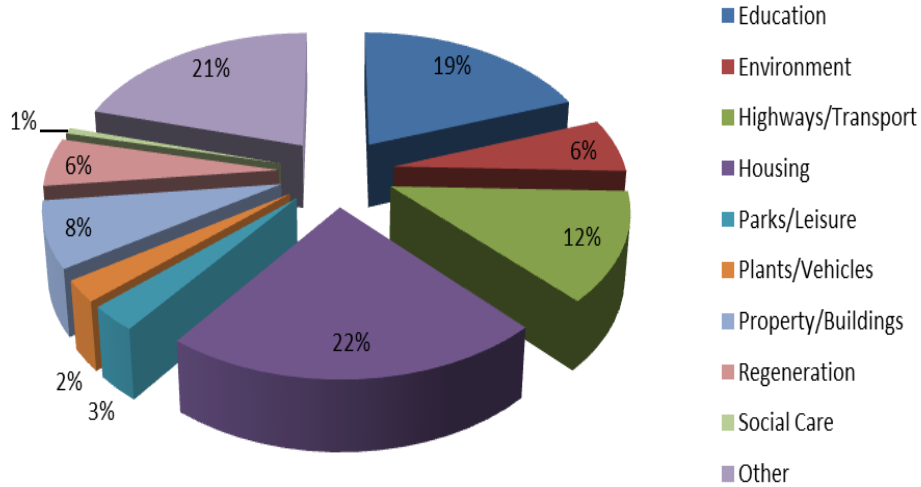
Programme by Sector: 2015/16 Total = £480m



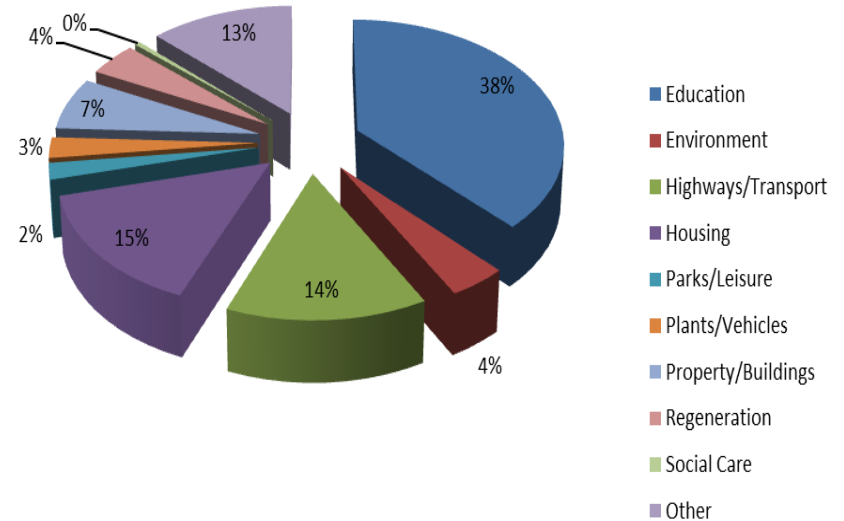
Programme by Sector; 2013/14 -2016/17 Total = £2270m



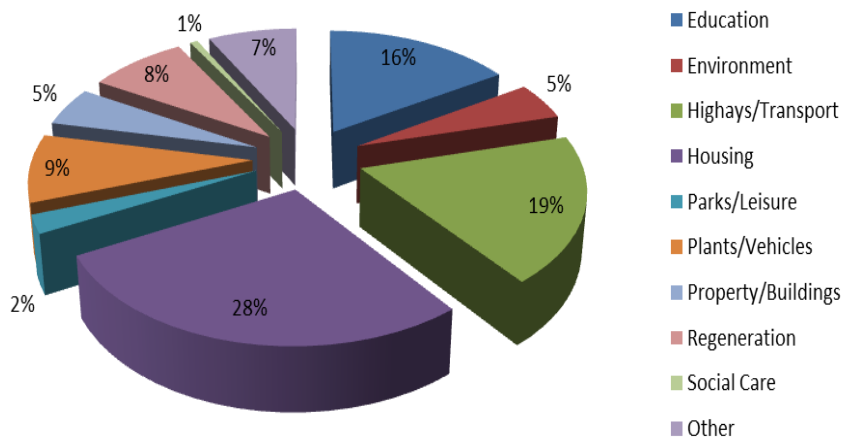
North Wales by Sector: 2013/14 Total = £224m



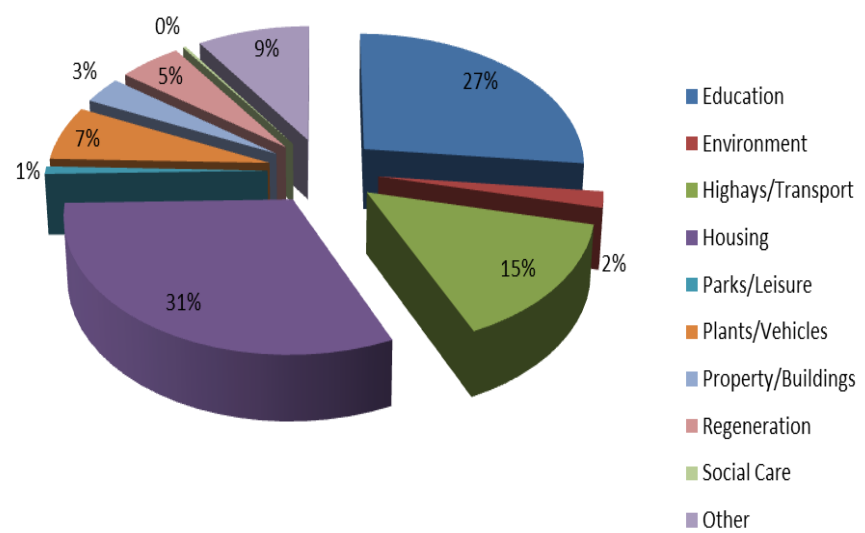
North Wales by Sector: 2013/14 - 2016/17 Total = £458m



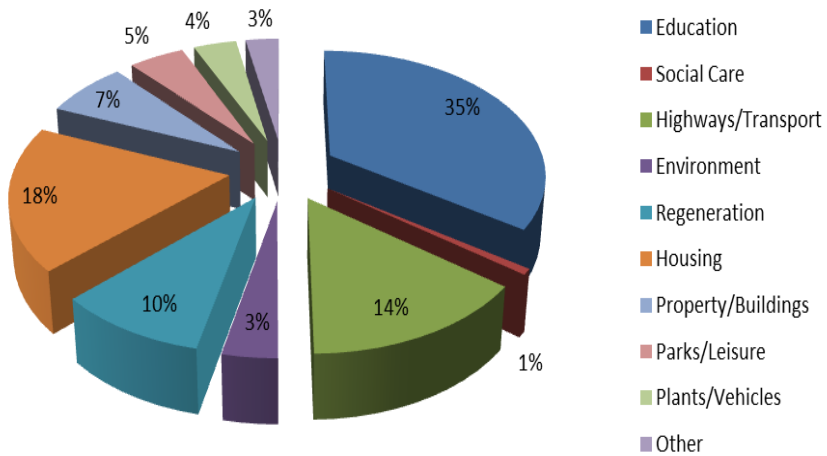
Mid Wales by Sector 2013/14 Total = £72m



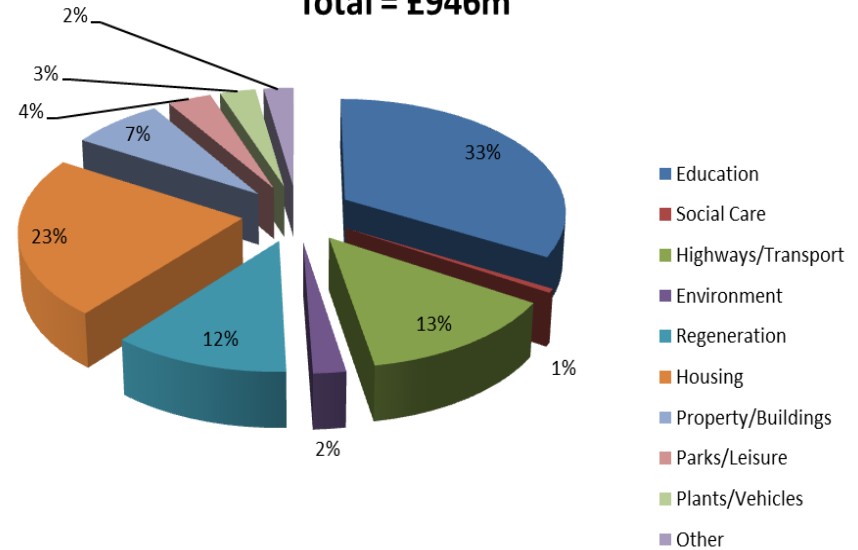
Mid Wales by Sector 2013/14 - 2016/17 Total - £185m



South East by Sector: 2013/14
Total = £375m

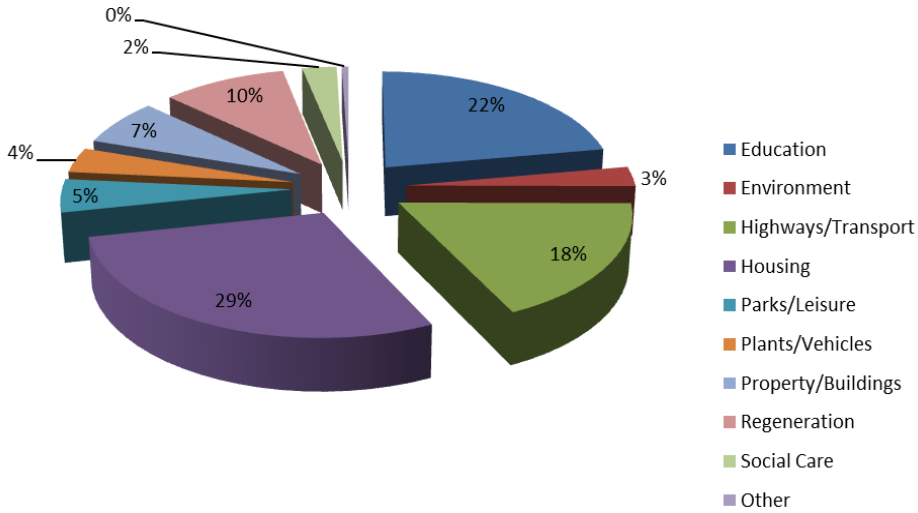


South East by Sector: 2013/14 - 2016/17
Total = £946m



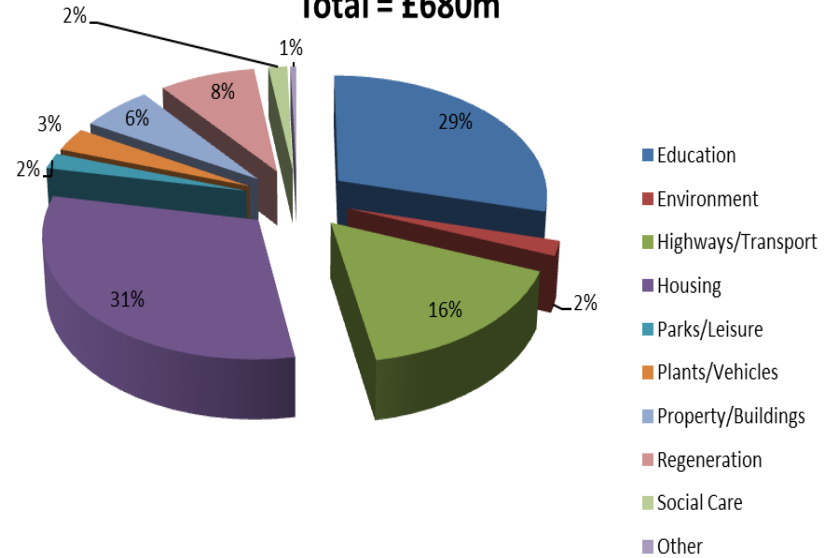
South West by Sector: 2013/14

Total: £275m



South West by Sector: 2013/14 - 2016/17

Total = £680m



Sector Summary – All Wales 2013/14 – 2016/17

	2013/14 (£'000)	2014/15 (£'000)	2015/16 (£'000)	2016/17 (£'000)	Total (£'000)
Education	245,839	219,832	198,100	73,852	737,623
Social Care	12,244	3,688	3,173	265	19,370
Highways/Transport	144,709	124,120	40,374	18,006	327,208
Environment	38,427	11,937	3,460	1,867	55,691
Regeneration	81,121	69,336	41,178	3,098	194,734
Housing	217,639	152,015	131,206	51,098	551,957
Property/Buildings	66,445	40,105	27,753	15,188	149,490
Parks/Leisure	39,850	15,483	3,187	865	59,385
Plants/Vehicles	36,017	17,122	18,186	2,009	73,334
Other	63,732	20,744	13,241	3,531	101,248
Total	946,023	674,382	479,858	169,779	2,270,040

North Wales by Sector: 2013/14 – 2016/17

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
Education	43,171	43,428	70,569	17,184	174,352
Environment	13,939	3,449	935	285	18,608
Highways/Transport	28,058	28,368	4,540	2,685	63,651
Housing	49,527	8,025	7,025	4,125	68,702
Parks/Leisure	6,479	2,149	882	125	9,635
Plants/Vehicles	5,538	2,920	3,673	-	12,131
Property/Buildings	17,036	7,316	5,098	1,595	31,045
Regeneration	12,531	4,996	2,026	327	19,880
Social Care	1,589	250	250	250	2,339
Other	45,975	6,439	3,880	1,675	57,969
North Totals	223,843	107,340	98,878	28,251	458,312

Mid Wales by Sector 2013/14 – 2016/17

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
Education	11,481	14,898	23,110	-	49,489
Environment	3,474	66	50	-	3,590
Highways/Transport	13,360	10,665	3,020	-	27,045
Housing	19,895	19,122	18,791	-	57,808
Parks/Leisure	1,677	15	15	-	1,707
Plants/Vehicles	6,200	3,000	3,000	-	12,200
Property/Buildings	3,600	1,597	830	-	6,027
Regeneration	5,969	2,667	855	-	9,491
Social Care	473	-	-	-	473
Other	5,472	5,886	5,732	-	17,090
Mid Total	71,601	57,916	55,403		184,920

South East by Sector: 2013/14 – 2016/17

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
Education	130,088	85,958	70,026	29,192	315,264
Social Care	2,765	1,529	1,073	15	5,382
Highways/Transport	54,263	42,178	18,434	12,041	126,915
Environment	13,009	5,445	1,415	310	20,179
Regeneration	35,738	39,468	30,852	2,771	108,829
Housing	69,011	50,920	53,478	41,773	215,182
Property/Buildings	27,040	21,127	13,007	9,593	70,767
Parks/Leisure	18,238	12,981	1,615	740	33,574
Plants/Vehicles	14,095	3,821	7,566	2,009	27,491
Other	10,877	6,967	3,139	1,856	22,839
SE Total	375,124	270,394	200,605	100,300	946,422

South West by Sector 2013/14 – 2016/17

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
Education	61,099	75,548	34,395	27,476	198,518
Environment	8,005	2,977	1,060	1,272	13,314
Highways/Transport	49,028	42,909	14,380	3,280	109,597
Housing	79,205	73,948	51,912	5,200	210,265
Parks/Leisure	13,456	338	675	-	14,469
Plants/Vehicles	10,184	7,381	3,947	-	21,512
Property/Buildings	18,769	10,065	8,818	4,000	41,652
Regeneration	26,883	22,205	7,445	-	56,533
Social Care	7,417	1,909	1,850	-	11,176
Other	1,408	1,452	490	-	3,350
SW Totals	275,454	238,732	124,972	41,228	680,386

Issues for Consultation

1. Is this all -Wales local authority programme useful?
2. Are the sectors helpful as a means of aggregation?
3. Should smaller projects be aggregated for each LA? If so below what value?
4. Is a 3 year programme sufficient?
5. Are annual updates of the programme sufficient?
6. Would sorting into sectors based on Buildings or Civils be more useful?
7. How helpful is an inventory of construction frameworks to sit alongside the programme?
8. What else would the industry like to see in a forward programme?

