

The Rebuild Forward Work Programme

CCG Christchurch – 26th June 2013

Peter Cunningham

Overview

-
- MBIE role in support of CERA
 - Scale of the rebuild programme
 - Canterbury forward work programme
 - Proposed Centre of Procurement Expertise

What's happened

- July 2012 – established MBIE support programme to CERA
- Procurement is one of 7 workstreams
- 2 parts to offer: Canterbury Procurement Forum & CoE
- Canterbury Procurement Forum established November 2012
- 3 meetings now held
- Centre of Expertise concept developed and consulted on
- Now established – MBIE resourced, hosted by CERA for ALL

The rebuild challenge: progress update

From the Canterbury Procurement Forum meetings:

- Transparency around the forward work programme
- Sequencing & prioritisation of projects
- Risk mitigation measures
- Continuity of resources – labour & materials
- BAU won't work – seeking alternate procurement & engagement options
- Procurement needs to change including how clients go to market
- Using learning to date & manage the rebuild smarter

What we've been collecting

Based on client intentions:

Aggregate project data

On projects over \$10m:

- Treasury business case sign off
- Engagement with market
- Application for consents
- Design: start and end
- Construction: start and end

Forecast vs. Actual

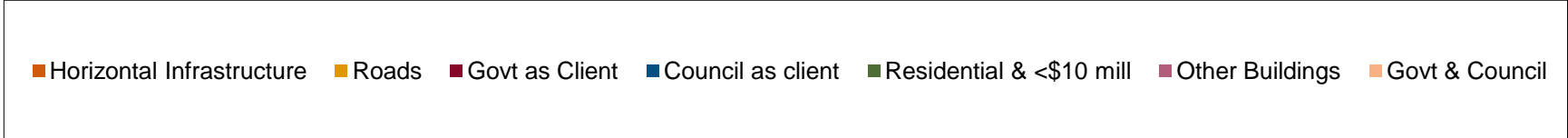
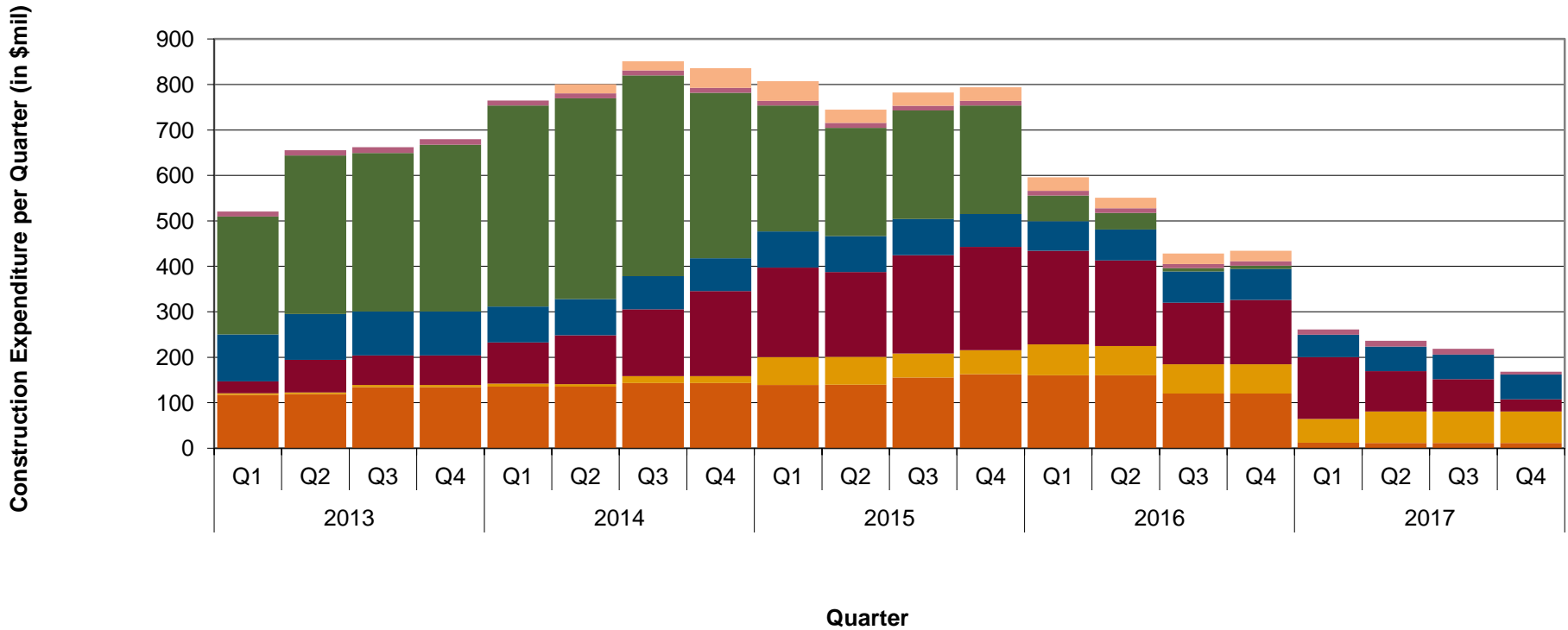
Clients providing data

- Lyttelton Ports, CIAL
- Christchurch City Council ,Waimakariri DC, Selwyn DC
- Ministry of Justice, Ministry of Education, NZTA
- Canterbury DHB
- CCDU, SCIRT
- PMOs – Fletcher, Hawkins, Arrow International, MWH Recovery

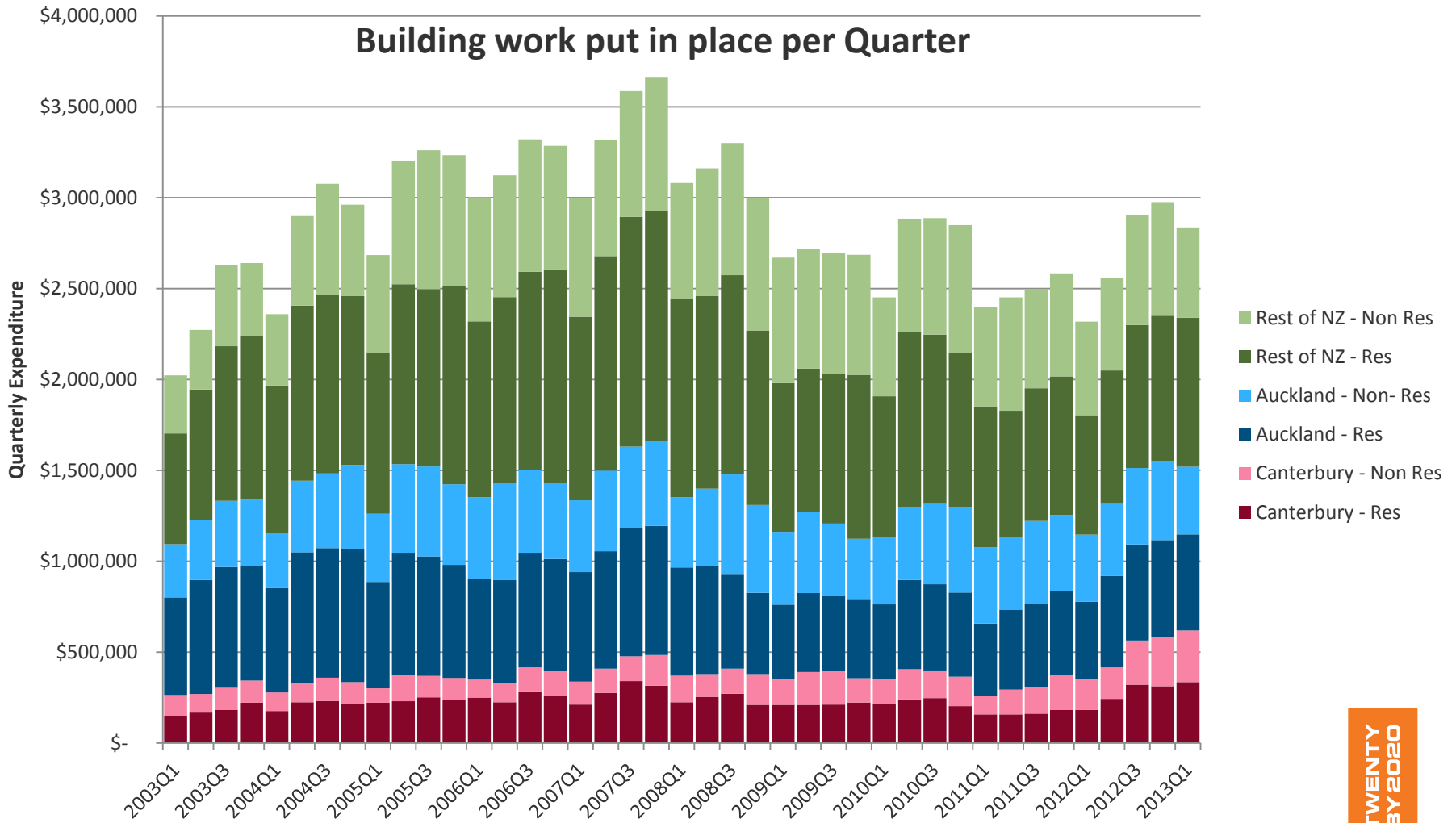
- Don't have data from:
 - Universities and Polytechs – this is coming
 - Large commercial developers

Intentions by major client type

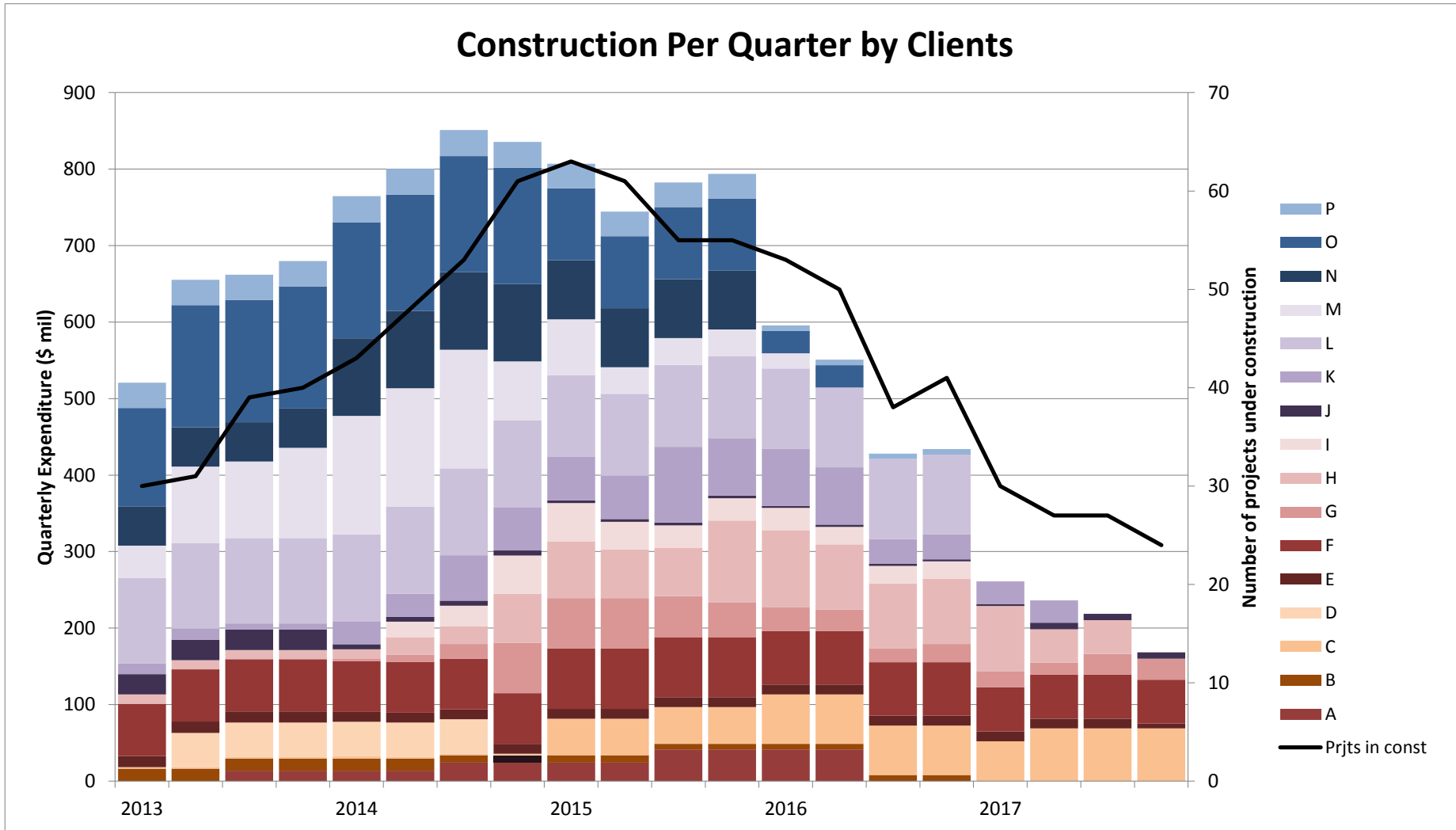
Construction Projections by Type of Construction



Historical delivery data: Stats NZ

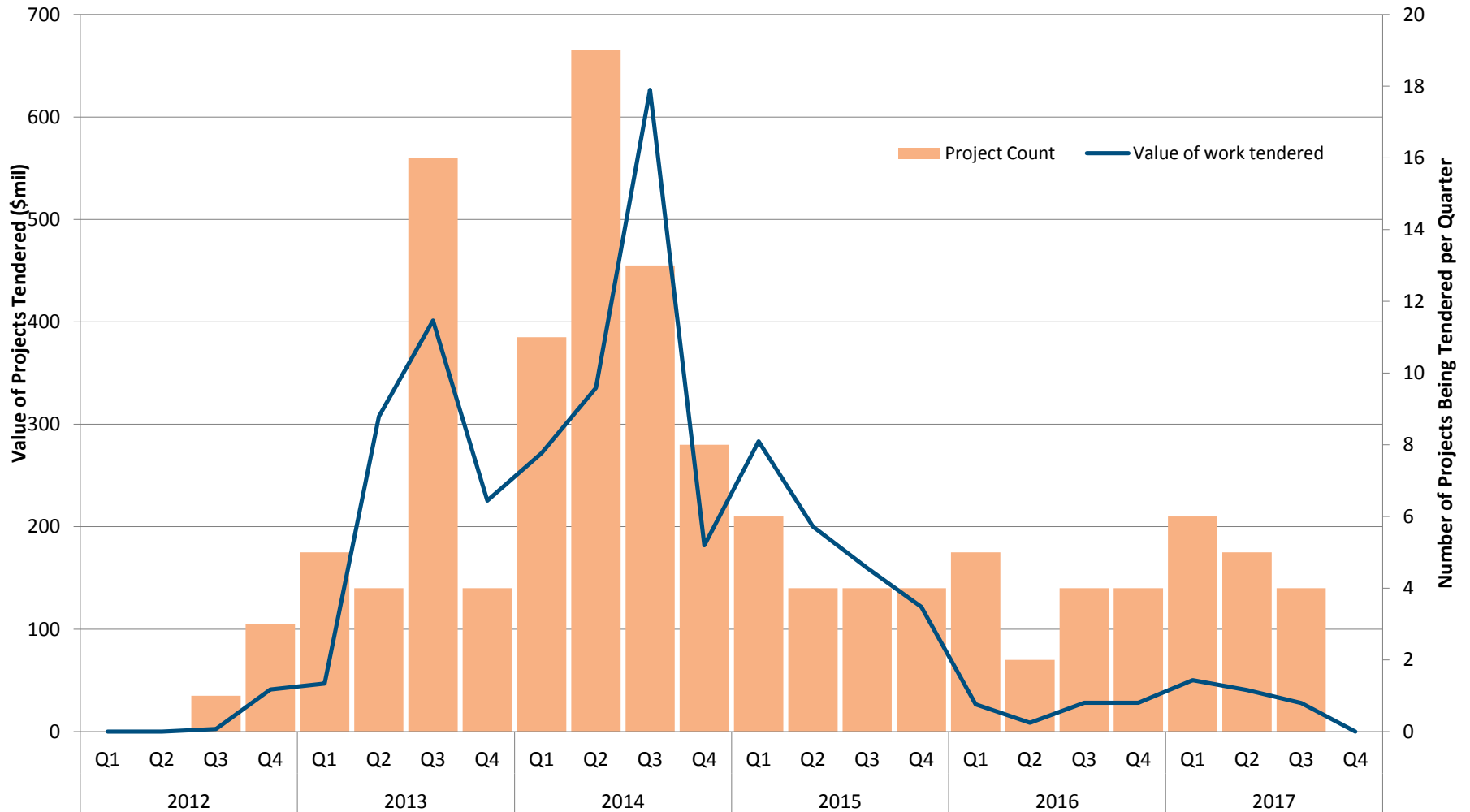


Projects over \$10m: pipeline of work by client



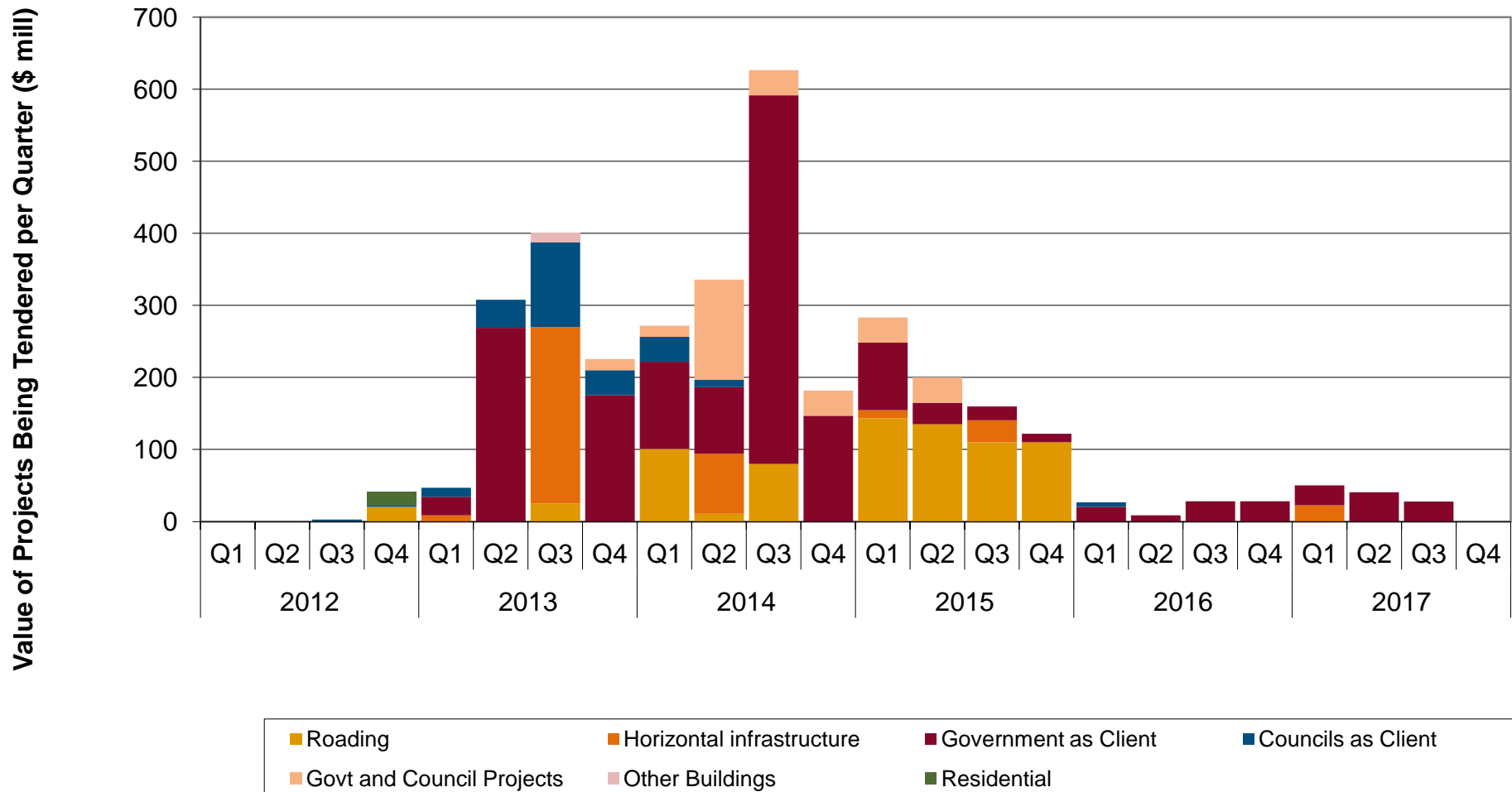
Projects over \$10m: tender

Value and number of >\$10 mill projects being tendered each quarter



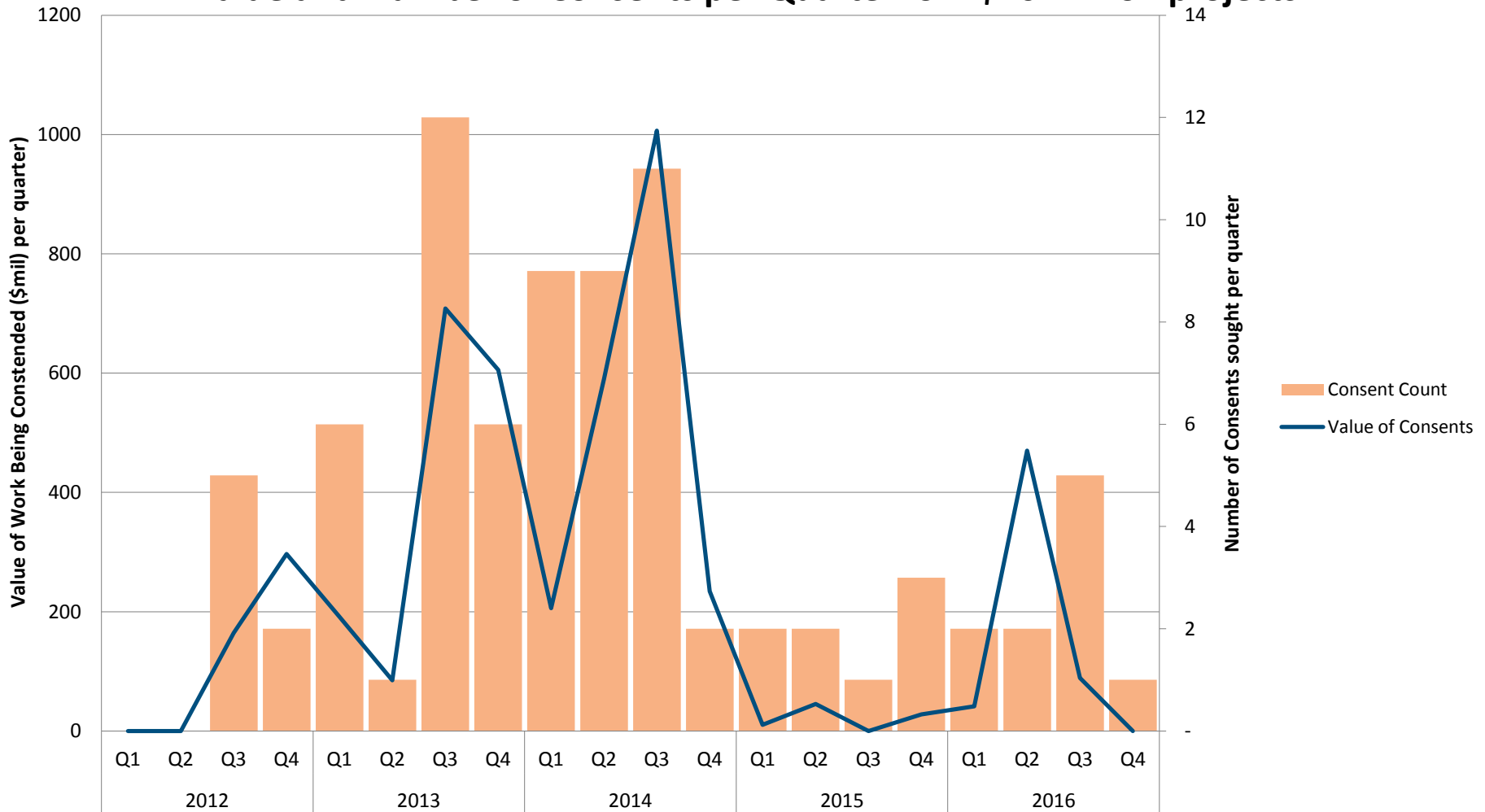
Projects over \$10m: tender

Pipeline of work being tendered by type of project / client



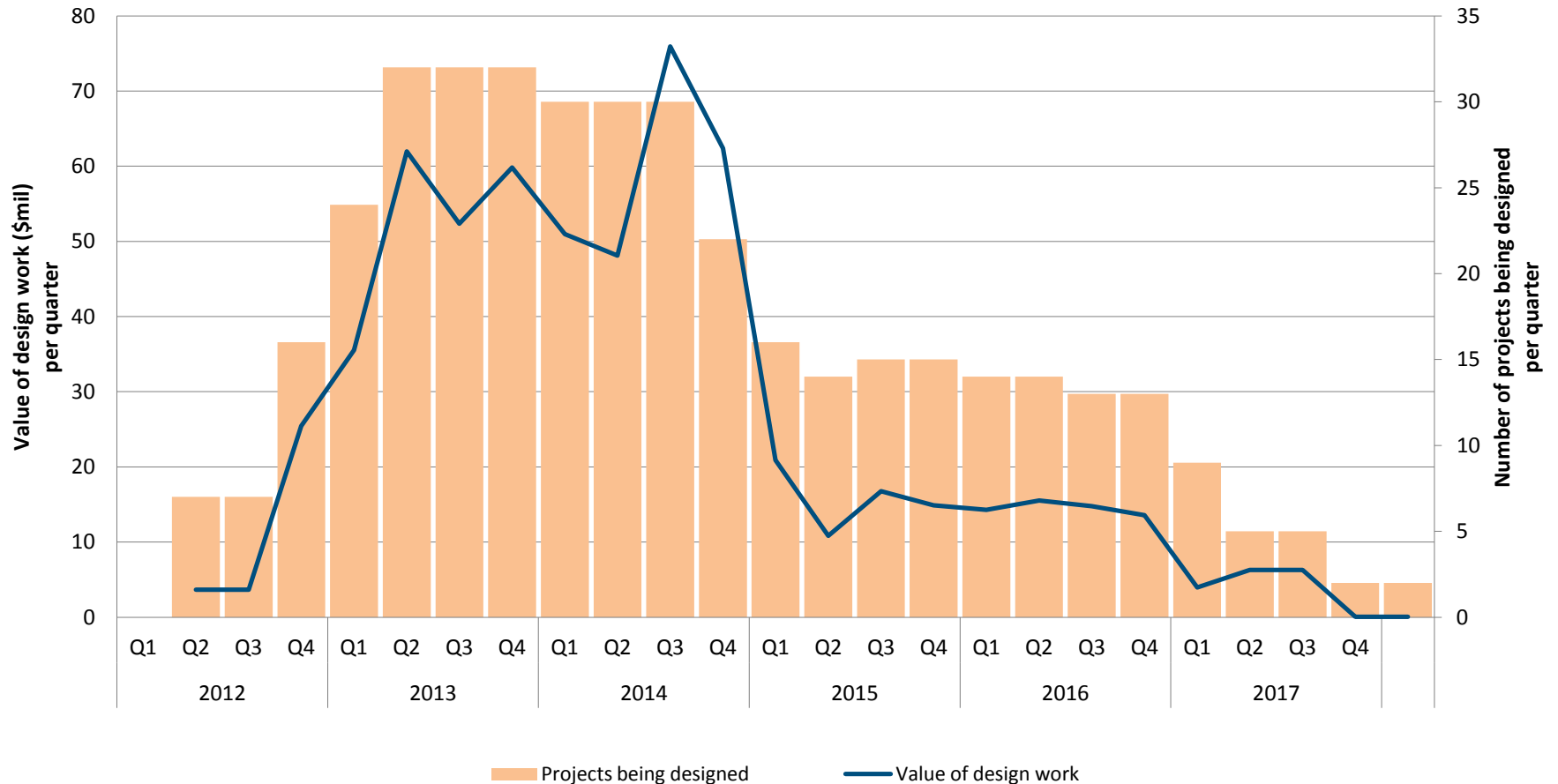
Projects over \$10m: consents

Value and Number of Consents per Quarter for >\$10 million projects



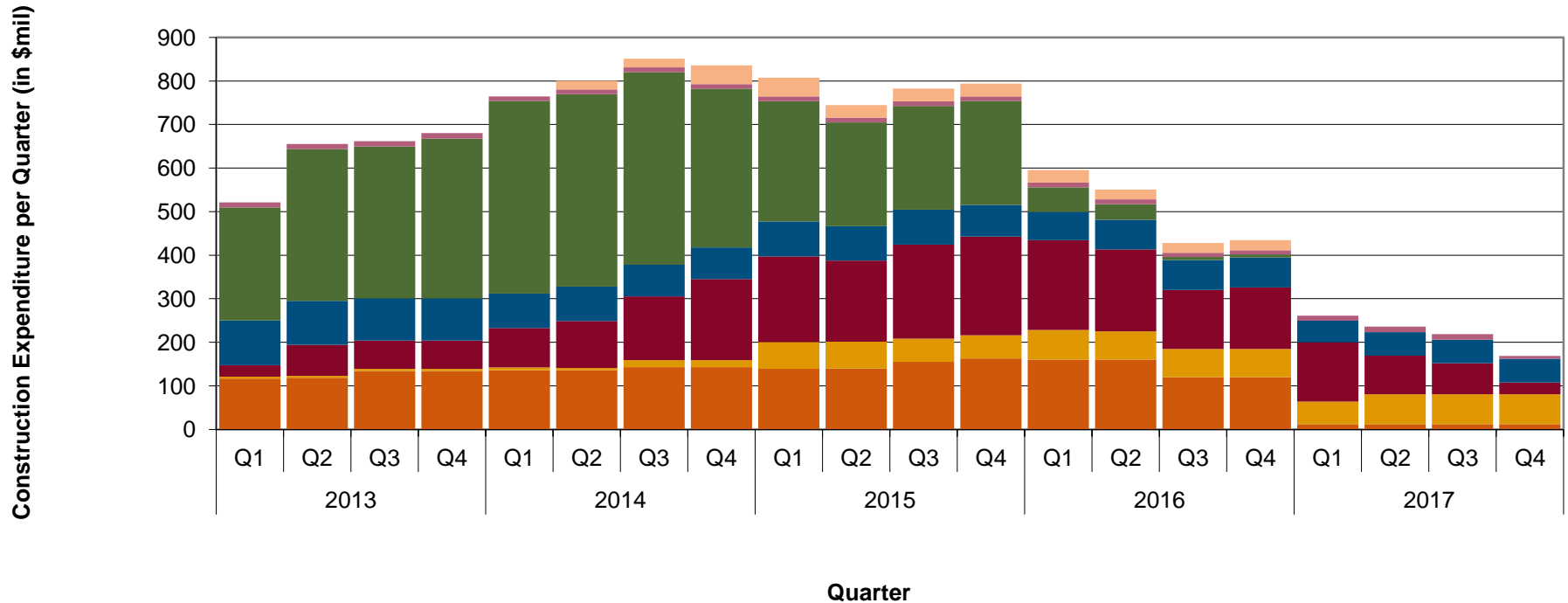
Projects over \$10m: Design projections

Number and value of >\$10 mil Projects Being Designed by quarter



Putting the numbers into context

Construction Projections by Type of Construction



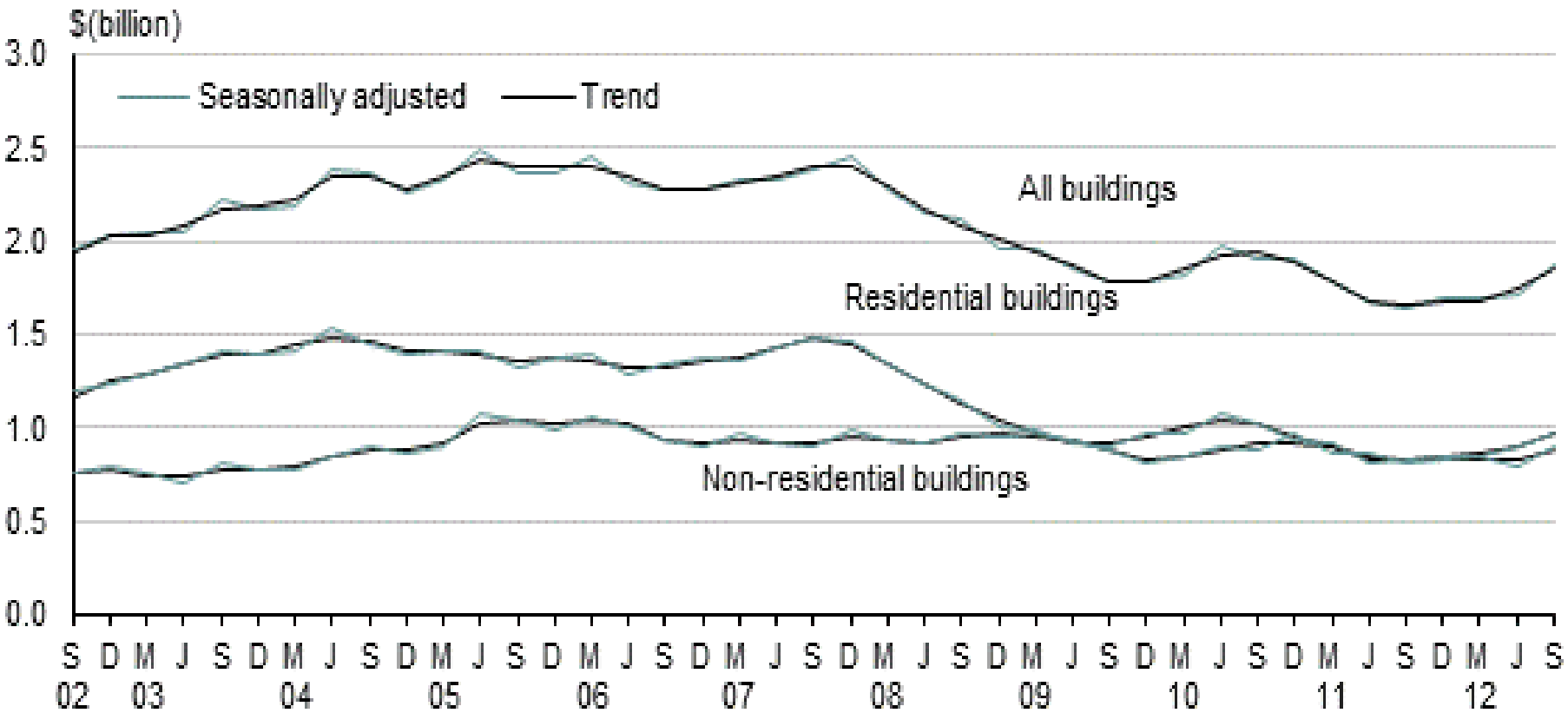
■ Horizontal Infrastructure
 ■ Roads
 ■ Govt as Client
 ■ Council as client
 ■ Residential <\$10 mill
 ■ Other Buildings
 ■ Govt & Council

Putting the numbers in context: Nationally



Building work put in place

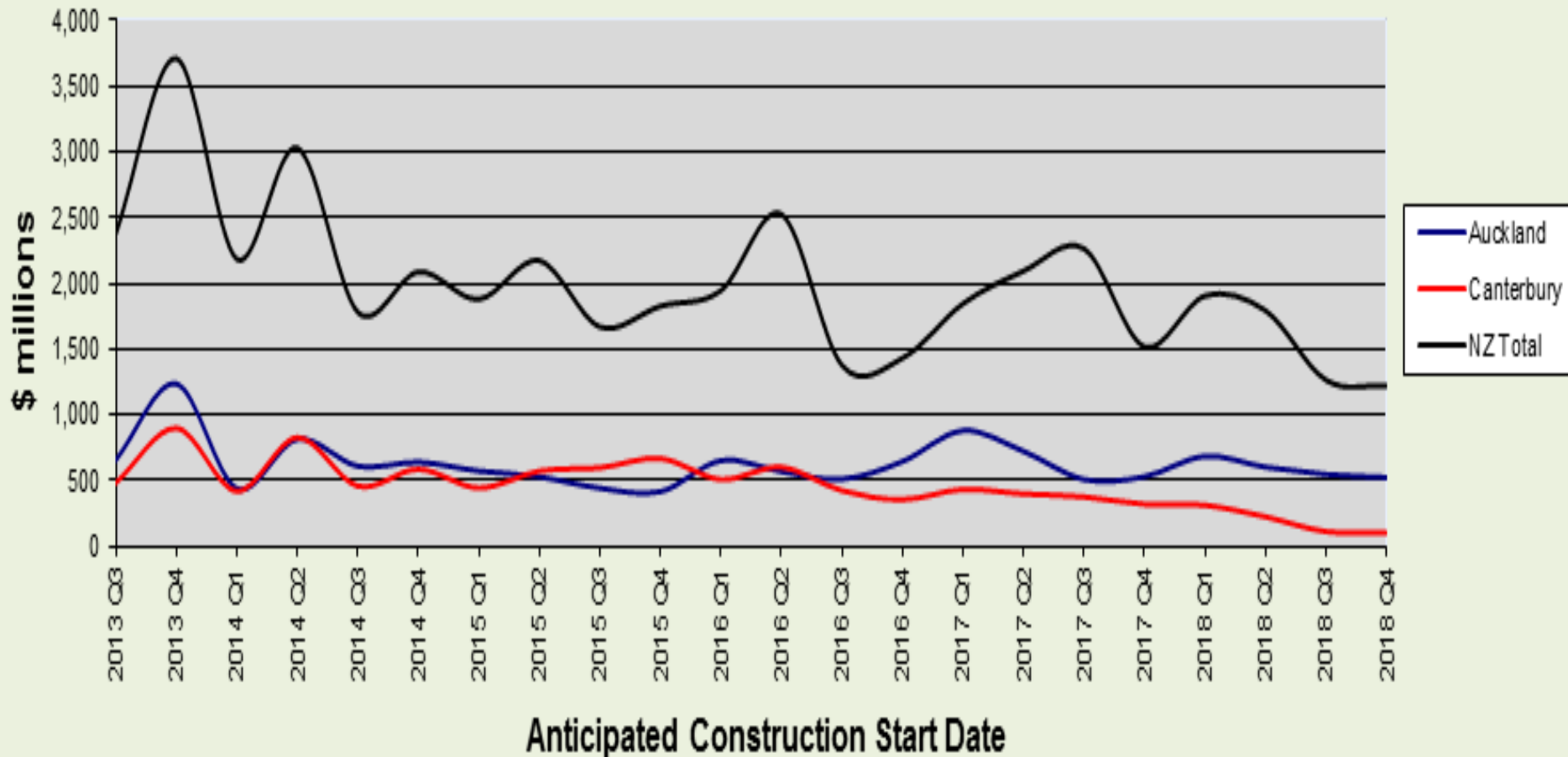
Seasonally adjusted and trend values at September 1999 quarter prices
Quarterly



Source: Statistics New Zealand

National Pipeline curve - DRAFT

Known Pipeline Projects by Area - Non-Residential



Caveats

- This is an underestimate of the pipeline
 - Missing data – mainly central and local government data
 - Insufficient information on timing to schedule
 - Assumptions will create errors and potentially smooth too much
 - converting annual or monthly data to quarterly
 - For design if not provided (and not complete or design build procurement)
 - For <\$10m projects
- Based on client intentions
 - Data collected from individual clients regarding rebuild intentions
 - Data presented as reported by clients
 - Data is subject to optimism bias

The Opportunity - Centre of Expertise

- Evidence & market intelligence
- Education & upskilling
- Influencing decision makers/influencers
- The Forum – bringing people together
- Role of occasional & SME clients
- Existing Government rules
- Specialist themes – BIM, Whole of life, etc
- **NOW ESTABLISHED – MBIE resourced; CERA hosted; for ALL clients**

Further information & contact

And finally, a Market Information Day

Peter Cunningham – peter.cunningham@mbie.govt.nz

Tel: +64 2195 3500