



Guernsey Construction Forum

La Haina
Rue de la Mare
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Date: 10th March 2023

To whom it may concern.

Dear sir

RE: Statement regarding Policy & Resources' decision to suspend funding of capital projects

The Guernsey Construction Forum (GCF) was formed two years ago to act as a communications channel for the construction, building, engineering and associated professions to engage in constructive dialogue with Government and the community to benefit the Bailiwick's economy, quality of its built environment and local employment opportunities.

Principally it seeks to enable long-term management of public infrastructure to achieve the best possible social and economic outcomes from States of Guernsey capital investment

Its objectives are focused on communication with local Government, to understand its, "Work Load Pipeline" and procurement policy, whilst raising awareness of local skills, resources and capability. The aim is to enable local business.

The Guernsey Construction Forum is dismayed by the decision of the Policy & Resources Committee to suspend funding for capital projects. Knee-jerk management of capital spending such as this is unproductive and irresponsible.

Of course, money should only be spent on projects which are essential, but for over a decade successive States assemblies have underinvested in our infrastructure. This island's schools, ports, sea walls, the physical fabric of our society is in a desperate state. We are in the process of saddling ourselves with a backlog of capital investment to replace crumbling infrastructure. Now is not the time to prevaricate further.

Cutting infrastructure spending does not save money, it is a lazy, irresponsible way to balance the books in the short term. In the long run it is always more expensive. Infrastructure does not repair itself. All that happens is we "kick the can down the road" and costs spiral as we find ourselves with a backlog of maintenance and emergency repairs.

We advocate a consistent, coherent programme of ongoing planned maintenance and replacement of infrastructure. Overall, this will reduce our government's expenditure.

A properly planned programme of work will also alleviate the 'boom and bust' cycle which plagues the local industry. Knee-jerk decision-making and policy flip-flopping on capital projects decimates our skills-base and capacity. A consistent and visible maintenance and capital spending plan would allow the local industry to invest in skills, develop capability and avoid inflationary supply and demand pressures. It also benefits the local economy by minimising the amount of spend which disappears from our economy on off-island resources during 'boom' times.

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GCF is of the opinion that the current structure of our Government is failing when it comes to policy decisions on capital investment and infrastructure maintenance. These are difficult, sometimes unpopular decisions which need to be made with a 20-year plus horizon. Any attempt to make, let alone follow-through with such decisions is proving to be futile with our current consensus-style government working on four-year horizons.

GCF is concerned that a thriving economy is impossible in these conditions and continued under-investment in the physical fabric of our society will severely burden future generations.

Yours sincerely

John Bampkin.

Chairman.