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PUBLIC SECTOR

Risky Business:

An Exclusive Interview with Dr David Hancock

ALMOST a year on from the Government's hugely ambitious BIM Level 2 mandate, UK Construction Excellence's own Matt Brown speaks exclusively to Dr David Hancock about the UK BIM journey, skills shortage concerns, and the outlook ahead for construction in 2017.

Dr Hancock leads the Government Construction Team and chairs the Government Construction Board for the Cabinet Office and Infrastructure and Projects Authority (IPA). Prior to that he was Head of Risk for Transport for London and London Underground.

Renowned internationally as a leading thinker and practitioner in the field of behavioural risk, David is the author of the bestselling book "Tame, Messy and Wicked Risk Leadership" in which he developed the concept of risk leadership. He has worked with the public, private and voluntary sectors and was Head of Risk for the Terminal 5 Project at Heathrow.

AS WE MOVE CLOSER TOWARDS THE ANNIVERSARY OF THE BIM LEVEL 2 MANDATE IN APRIL, WHAT'S YOUR VIEW ON WHERE THE CONSTRUCTION INDUSTRY IS POSITIONED ON ITS BIM JOURNEY?

The construction industry has responded well to the change to a digital construction approach to date. Industry have generally embraced the opportunity to digitalise their approach to construction on projects and recognise the productivity and efficiency benefits this can have, but also the challenges this has created. One year on from the mandate I would suggest we have now passed the midpoint in the journey and now our focus needs to be on embedding BIM (Building Information Modelling) Level 2 into business as usual, and laying the foundations for the next digital standard for construction. One of the key areas of development is to be inclusive of the product manufacturing and SME's. Industry needs to support them to make sure they embrace the journey that the sector is going through. The Construction Products Association response through Lexicon is a great way to bring the supply chains and manufacturers on the journey.

IS THE GOVERNMENT'S COMMITMENT TO SIGNIFICANT INFRASTRUCTURE INVESTMENT AN ENDORSEMENT OF THE HUGE ADVANTAGES OF WORKING WITHIN THE BIM PROCESS?

As you may know, the Government published its first combined National Infrastructure and Construction pipeline towards the end of last year. This identifies over £500Bn of planned spend and circa £300Bn by the end of 2020/21. BIM is one of a number of factors that supports Government's commitment to infrastructure investment and attracting investment.

WOULD YOU SAY EMBRACING COLLABORATIVE WORKING PRACTICES IS FUNDAMENTAL TO THE FUTURE OF THE INDUSTRY?

Collaborative working practices and early contractor involvement remains fundamental within many of the approaches outlined in the Government Construction strategy including BIM.

DO YOU THINK THAT OFF-SITE MANUFACTURING AND PRE-FABRICATED BUILDINGS ARE A WAY TO HELP SOLVE SOME OF THE ISSUES FACING THE CONSTRUCTION INDUSTRY?

It is definitely part of a mix of approaches to help solve some of the issues facing the industry but these approaches must be viewed as part of the solution and not in isolation and taken into account alongside other aspects of delivery.

THERE SEEMS TO BE SOME NEGATIVITY SURROUNDING THESE METHODS OF CONSTRUCTION. WHAT CAN BE DONE TO CHANGE THIS?

Individually, modern methods of construction are positive but sometimes difficult to embrace at scale. However, if these are treated and delivered as a suite of approaches that form a best practice approach then you drive an even higher level of performance. I think if we can focus on Digital, Manufacturing processes and Whole Life Performance together, not separately, then any negativity should change as there is something for everyone in those methodologies.

As announced in last year's Autumn Statement, the IPA is leading a new review, looking at ways we can improve the cost, quality and performance of UK infrastructure. It will address many of these issues and is due to report in summer this year. We at the IPA are always looking for new ways we can help to improve the delivery of projects.

THE SKILLS SHORTAGE IS STILL ONE OF THE BIGGEST PROBLEMS CURRENTLY FACING THE INDUSTRY. DO WE NEED TO CHANGE PEOPLE'S PERCEPTIONS OF WORKING IN THE INDUSTRY?

Absolutely. A career in construction no longer necessarily means hours on-site in a hard hat and a yellow jacket – though there are still plenty of those roles! We need expertise in new technologies, digital skillsets, project management, manufacturing, and many other areas to deliver the infrastructure the UK needs. Bringing in new people into the sector is also important, and the sector needs to demonstrate the breadth of opportunities available to attract graduates and skilled workers, as well as those with less experience. Apprenticeships are another excellent way to do this but we also need to keep them and so we need to look at our present working practices and embrace role sharing, flexible and part time working and gap years where appropriate.

HAS THE RESILIENCE OF THE CONSTRUCTION INDUSTRY IN THE FACE OF RECENT UNCERTAINTY SURPRISED YOU?

The construction industry has proven its resilience many times. It's often criticised as a fragmented industry, however this is also part of its resilience – a range of different subsectors, companies and organisations that are able to flex to meet demand. In part this resilience may be 'double-edged' and also contribute to its resistance to change.

GIVEN THE MULTITUDE OF CHANGES SURROUNDING THE CONSTRUCTION INDUSTRY, WOULD YOU SAY THAT THESE ARE EXCITING TIMES FOR THE SECTOR?

The increasing use of new technologies and building techniques, such as offsite manufacturing, and new research opportunities such as the Industrial Challenge Strategy Fund, mean that this is very much an exciting time. The Government announced its £500Bn infrastructure and construction pipeline at the end of last year – this demonstrates the exciting reach and range of government-planned projects. Ongoing projects such as Crossrail and HS2 are right at the forefront of innovative construction and offer exciting opportunities for the companies and individuals delivering them.

WHAT ARE YOUR PREDICTIONS FOR THE CONSTRUCTION INDUSTRY IN 2017?

I would be wary making any predictions – those who attempted to predict events in 2016 were not particularly successful! But I expect we'll see increased interest in offsite manufacturing (not just offsite construction there is a difference), the application of digital and data and an increased focus on how we can improve the performance of assets. I also hope to see a continued increase in the numbers of women entering the sector and filling senior positions.

LOVE THY NEIGHBOUR .....JUST DON'T GIVE HIM ANY FREE ADVICE!

My wife absolutely loves offering my services as a matchmaker, job finder and building consultant to her many friends and colleagues and yes, you've guessed it, I don't get paid for any of these favours. Now I think it is fairly clear that when I succumb to my wife's promises and I find myself looking at a wonky wall, badly plastered ceiling or dodgy extension I am not entering into a contract with these people but the current Mrs Vinden (there will be only the one, I hope) might be surprised to learn that I could still be sued if I cock up in the granting of the requested favour. Why is this?

Well, even though there might not be a contract in place, I still owe a duty of care to anybody I have agreed to or been coerced into advising. If a loss is incurred as a result of free but dodgy advice and I am judged to have been negligent, then the person who has had the benefit of the free advice may also be able to sue me to recover any losses incurred as a consequence. Now you know where the saying "don't confuse the law with justice" comes from.

If you don't believe me, read the Court of Appeal's judgement in Lejonvarn v Burgess and another. The facts of the case are that Mrs Lejonvarn agreed to provide some unpaid project management services for some garden landscaping as a favour to her friends and neighbours, Mr and Mrs Burgess. What a nice gesture. Unfortunately, it appears that things started to go off the rails. The costs of the landscaping works started to escalate and it seems that Mr and Mrs Burgess did not fully approve of the quality of work undertaken by the appointed contractor.

Consequently, Mr and Mrs Burgess decided to dispense with Mrs Lejonvarn's free project management services and brought in another consultant to complete the project. Mr and Mrs Burgess then brought an action against Mrs Lejonvarn in the High Court claiming the

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If your better half volunteers you to give informal advice in a social context, it is possible, but probably unlikely, that a duty of care will arise if you offer an informal opinion and that advice proves to be wrong.

increased costs of completing the project.

The High Court decided that no contract had been formed between the parties. This was partly because Mrs Lejonvarn had not accepted payment for the project and there was no "offer" or "acceptance" to be found in the email correspondence passing between the Parties. However, the High Court still decided that Mrs Lejonvarn owed her neighbours a “duty of care” to exercise reasonable skill and care in acting as an architect and project manager and to prevent economic loss. Mrs Lejonvarn’s duty of care arose because she had “assumed responsibility” for the project. In reaching his decision, the judge noted that Mrs Lejonvarn:

- agreed to and provided a series of professional services over a period of time;

- expressed a degree of confidence in her ability to manage the project and control the budget;

- performed the services “in a professional context on a professional footing”;

- and was, or should have been, well aware that her neighbours were relying on her to perform her services.

Perhaps not surprisingly Mrs Lejonvarn decided to appeal the judgement but that appeal was thrown out by the Court of Appeal.

From now on I will be telling Mrs Vinden to cease and desist from offering my services to friends and colleagues on a pro bono basis. Well, perhaps I won't go that far as the judge was careful to emphasise that the case before him did not relate to “brief ad-hoc advice” but something that started out as a casual conversation between friends at a party and quickly progressed to something which was “akin to a contract”.

If your better half volunteers you to give informal advice in a social context, it is possible, but probably unlikely, that a duty of care will arise if you offer an informal opinion and that advice proves to be wrong. The fact that you have provided the advice for free and there is no contract will not necessarily prevent a duty of care arising. Why take the chance?

So, if you see me at a party, I will be the chap wearing ear defenders, gaffer tape over my mouth, drinking through a straw with the "no free advice given" label stuck to my forehead! Only joking.

Peter Vinden is a practising Arbitrator, Adjudicator, Mediator and Expert. He is Managing Director of The Vinden Partnership and can be contacted by email at pvinden@vinden.co.uk. For similar articles please visit www.vinden.co.uk.

Budget 2017: Chancellor delivers first Budget as Brexit looms

CHANCELLOR Philip Hammond has delivered his first budget to "prepare Britain for a brighter future" as he promised a platform of stability for the UK's Brexit negotiations.

For the construction industry, there were few headline grabbing moments, though the Chancellor did announce funding for new schools, measures to tackle the skills shortage, further investment to combat congestion on England's road network, and support for the transition to a digital economy.

In what was billed as the final Budget to take place in spring, Mr Hammond delivered an upbeat assessment of Great Britain's economic position as the nation prepared for Article 50 to be triggered once and for all. He said that the UK's growth outstripped both the United States and Japan, and was second only to Germany with employment at a record high.

The robust performance of the economy since last June's European Referendum has led to revised forecasts from the Office for Budget Responsibility for higher growth and reduced borrowing but the Chancellor said productivity was still "stubbornly low".

Previously, the Chancellor had spoken about ensuring that the economy had "reserves in the tank" as the UK prepares for Brexit, and so it came as no surprise that he ruled out "unfunded spending".

In order to increase productivity and remedy the skills gap, which may be exacerbated further by the loss of migrant labour following Brexit, the Chancellor unveiled an extra £500M a year investment in training young people.

New 'T-Levels' will replace 13,000 qualifications with just 15 paths, each linked to the needs of employers. The number of hours training for 16-19 year old technical students will increase by more than 50%, with the new qualifications seeing students engage in high quality three month work placements. The new courses are due to start from the 2019/20 academic year.

Mr Hammond announced £320M for 140 new free schools plus a further £216M on infrastructure for existing schools – an increase in schools spending by more than £500M.

Ahead of the Budget, Mr Hammond had come under pressure from business leaders to ease the financial burden stemming from higher business rates. As the tax brings in around £25Bn a year for the Treasury, the Chancellor ruled out the possibility of abolishing the rates. He announced measures to help those companies hardest hit including assurances that no firm losing small business rate relief will see its bill rise by more than £50 a month next year.

Mr Hammond announced £690M for local authorities to tackle "urban congestion" with £90M to be spent in the North and £23M for the Midlands to address pinch points on roads.

The self-employed initially faced being hit with a tax increase of 2% in National Insurance Contributions (NIC). The Chancellor had said that the rise was necessary to address a difference in NIC between the self-employed and those in employment. According to the Chancellor, an increase of NIC for the self-employed from 10% to 12% would help to "support our public services in this Budget and to improve the fairness of the tax system", though he later reneged on the idea altogether.

The move to a digital economy will be underpinned by funding of £270M in technologies such as robotics, biotech and driverless vehicle systems.

An investment of £16M will see the creation of a 5G hub to trial the future mobile data technology. £200M will also go towards supporting local "full-fibre" broadband network projects that are intended to attract further private sector investment.

£7Bn of Midlands Engine opportunities available to international investors

THE Government has launched a portfolio of 19 projects at its first MIPIM pavilion, demonstrating a commitment to the Midlands Engine, including £7Bn of opportunities for international investors.

The portfolio comprises some of the most exciting investment opportunities across the Midlands, including major infrastructure, regeneration and business development projects, which were showcased at the largest property trade show, attended by over 5,000 investors from over 90 countries.

The opportunities are some of the most transformative developments across the region on a global stage, including large-scale regenerations of city centres in Birmingham, Derby and Nottingham, the National Space Centre in Leicester, and the first purpose-built business district in Coventry.

International Trade Minister, Mark Garnier, said: “MIPIM is the world’s leading real estate conference and exhibition and, through the first UK government pavilion, we are taking advantage of the opportunity to engage with this important sector.

“The Midlands Engine Investment Portfolio will enable us to harness the strong potential and accelerate the growth of the region by showcasing some of the most exciting investment projects across the Midlands. It will also enable us to build on the region’s strong record of attracting foreign investment.”

Sir John Peace, Chairman of the Midlands Engine, added: “The Midlands Engine Investment Portfolio demonstrates our ambition. We have some truly incredible projects available this year; whether it is investments that have been borne as a result of HS2 or smaller projects that will deliver real change, economic growth and jobs for of our cities. Investors will not only be investing in projects that will deliver significant return on investment, but will be driving growth in our region and acting as a catalyst to create the environments where our businesses can thrive.

“The work we are doing in the region is a clear sign to the international investor community that the UK is open for business and that the Midlands is at the heart of this offer.”

The portfolio was compiled by the Department for International Trade in partnership with the Midlands Engine, following the publication of the Midlands Engine Strategy and the recent Midlands Engine Trade Summit.

A full programme of events took place over four days, bringing together city and regional leaders with private sector investors and developers. Nine regions had the opportunity to pitch investment-ready pipeline schemes to an investor order, and sessions ran on such topics as HS2 Places, modular housing and garden cites.

The projects included in the portfolio are:

- Birmingham Curzon (over £500M)
- Birmingham Smithfield (over £500M)
- Drakelow Park, Derbyshire (£360M)
- Friargate, Coventry (£700M)
- Grantham Southern Quadrant, Lincolnshire (over £200M)
- Heart of the City, Derby (£165M)
- Loughborough University Science and Enterprise Park, Leicestershire (£625M)
- Nottingham City Centre (over £1Bn)
- Peppermint Park, Holbeach, Lincolnshire (over £150M)
- Redditch Eastern Gateway, Worcestershire (over £100M)
- South Kestevon Regional Offer, Lincolnshire (over £100M)
- Springfield Campus, Wolverhampton (over £125M)
- Stoke-on-Trent City Centre (over £310M)
- The Boots Enterprise Zone, Nottingham (over £100M)
- The National Space Park (over £75M)
- Tudor Cross, Bolsover, Derbyshire (£175M)
- UK Central Hub and HS2 Interchange, Solihull (over £2Bn)
- Wolverhampton Canalside and City Interchange (over £155M)
- Worcester Growth corridor (up to £300M)

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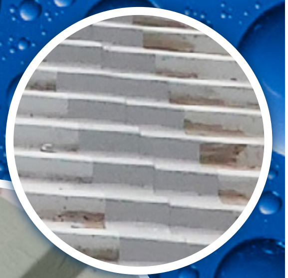

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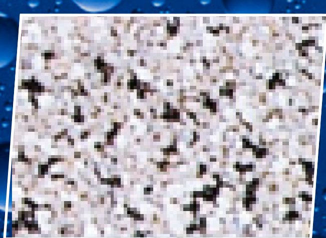
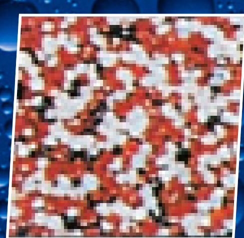


Red/Light Grey/Black



Apprenticeship Levy can address skills crisis - but only if employers seize the opportunity

THE Apprenticeship Levy has met with a mixed response. But there are some overwhelming benefits, which should be recognised, particularly by the construction sector as they face up to a severe skills shortage.

From April this year, all UK employers will be charged a levy of 0.5% on their annual pay bill (if this is greater than £3M). In return for these payments, organisations will receive electronic vouchers which can be used to provide apprenticeship training for their employees. The aim of the Levy is to incentivise businesses to meet the Government's target of three million additional apprentices by the year 2020.

So how will this help solve the current skills crisis? After all, apprenticeships have been around for generations. In recent decades, apprenticeships had been neglected and appeared to have fallen out of favour with both employees and employers alike. Technical colleges and polytechnics - once the bedrock of engineering and construction training - have been replaced by more academic universities, into which school-leavers have been driven in increasing numbers since the 1990s.

Consequently, attracting the most able candidates to take on skilled apprenticeships has become increasingly difficult and has been exacerbated over the last 30 years by reduced opportunities as the UK transformed into a predominantly service-based economy.

An additional consideration is the underlying prejudice with many that an apprenticeship is somehow the route to an inferior, purely manual role, rather than the start of a vital, high-skilled career. Long-term, valuable training has been neglected in favour of short-term profitability and a focus on meeting regulatory demands. Too often, training is still seen more as a cost than an investment, and this seems at odds with the need for businesses to prepare for the future by training and developing their future managers.

As a result, a dearth of apprenticeships has been a major contributory factor towards the aforementioned skills gap, which is widening as the industry loses highly-skilled and knowledgeable people to retirement.

However, there is a catch. My fear is that the scheme is too heavily biased towards meeting targets rather than providing a route to meet the needs of UK businesses.

Three million apprenticeships in call centre management, hairdressing or book-keeping may tick the right boxes in Government statistics (and possibly provide a solid career for those involved) but it would fail to tackle the UK's real skills shortages in engineering, mechanics and other technical subjects critical to our national infrastructure.

Therefore, industry must ensure it works to offer increased numbers of apprenticeships in a wide range of roles that result in a variety of relevant qualifications - covering domestic, commercial, metering and emergency service-related operatives. This could make a huge contribution to delivering a new generation of workers in the areas that currently suffer from shortages.

Beyond the introduction of the Levy, more fundamental change is needed. Schoolchildren need better, broader careers advice so they have a comprehensive understanding of all the post-school options, rather than simply being pushed into university degree courses, some of which may have minimal employment opportunities following graduation.

The hope is that genuine interest in industry can be generated and if successful, industry role models might be discovered or created along the way, providing the basis of a virtuous cycle of reinforcement. Increased interaction between employers and schools would be a fine way to approach this, and one of Develop Training Limited's partners through our Industry Skills Forum - Founders 4 Schools - is well placed to facilitate.

The Industry Skills Forum brings together leaders from the utilities, energy, construction and facilities management sectors to develop ideas and share best practice around recruitment, training and development. This is no talking-shop; it's a platform for bringing about tangible, positive change. We've seen a desire within industry for this in the numbers and varied groups attending over the past 18 months.

With the introduction of the Apprenticeship Levy, employers must prepare now to be ready to take on apprentices. For large companies, this may require creating and expanding internal infrastructure.

Worryingly, many of the companies I talk to are unsure about how the Levy will work - suggesting it may take some time for the (potentially) positive impact of the scheme to materialise. Given the urgency to address the skills gap, this is somewhat concerning.

Ultimately, any new scheme promoting apprenticeships should be welcomed, and the Levy sends a strong message to businesses. However, businesses cannot rely on Government to push them into doing the right thing. They must take responsibility for their own future and ensure there is a suitably trained next generation of workers to ensure their survival and provide the services that the UK requires.

They can start by getting ready to do more than simply meeting their responsibilities under the Apprenticeship Levy by using this essential initiative to help provide a more sustainable future within their individual sectors.

In order to do this, employers can now access a list of top quality training providers via The Skills Funding Agency's new Register of Apprenticeship Training Providers (RoATP), giving them a level of assurance that the organisations they are using have the capacity and capability to deliver effective apprenticeship training.

By Chris Wood, CEO of Develop Training Limited

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Prime Minister signs £1.3Bn Swansea Bay City Region deal

THE Prime Minister, Theresa May, has signed a deal for the Swansea Bay City Region that will see a record £1.3Bn invested and place Wales "at the forefront of science and innovation".

Mrs May met with the Welsh First Minister, Carwyn Jones, to put the finishing touches to the agreement before signing off on the deal at a ceremony in Swansea's Liberty Stadium, where she later met with representatives from a broad range of sectors and businesses.

The programme represents the single biggest investment in the region and is expected to create 10,000 new jobs over the next 15 years. This funding is made up of £115M from the UK Government, £125.4M from the Welsh Government and £396M from businesses, with the rest coming from regional and university contributions. The district will see major investment across 11 projects in the energy, smart manufacturing, innovation and life science sectors.

A £200M wellness village at Delta Lakes, Llanelli will include the Institute of Life Sciences, complete with a laboratory and an incubation facility for business start-up, research and development. In addition, a 'wellness hub' will house a state-of-the-art sports and leisure centre, a wellbeing centre, a wellness hotel and an assisted living village set within a green eco-park. It is believed that this project alone will create 1,800 high quality jobs and boost the economy by £467M over 15 years.

In Swansea, it is envisioned that the creation of an £169M city and waterfront digital district will generate more than 1,300 jobs. In total, 100,000sq ft of new city centre office space will provide an ideal home for tech businesses and support local enterprise and entrepreneurial talent.

At a cost of £76M, the Pembroke Dock Marine will see an energy centre established around the Port of Milford Haven, providing a focal point for marine energy development, fabrication, testing and deployment. Elsewhere, a partnership with TATA steel - based in Neath Port Talbot - will establish an innovation and knowledge centre for steel that will research the manufacturing of zero carbon steel.

Speaking ahead of signing the deal, Mrs May commented: "Wales' universities already have an excellent international reputation. They attract overseas students and pioneer in research projects here and abroad.

"I also want Wales to be at the forefront of science and innovation, as demonstrated by today's landmark city deal for Swansea.

"The deal is a great example of what can be achieved when the UK Government, the Welsh Government and local authorities work together to secure a deal that benefits the city and the whole of Wales."

First Minister Carwyn Jones added: "This is a package which will deliver jobs and economic growth for all of south west Wales, with clear benefits for all the areas involved.

"Today's announcement is a transformative deal that will drive the regional economy in a new direction, supported by high quality jobs and a digital infrastructure."

Green Investment Bank acquired by Macquarie-led consortium

THE much-anticipated privatisation of the UK Green Investment Bank has borne fruit following an unprecedented £2.3Bn bid on behalf of a Macquarie-led consortium. Comprising Macquarie Group, the Macquarie European Infrastructure Fund 5 (MEIF5) and the Universities Superannuation Scheme (USS), the consortium is poised to take ownership of the Green Investment Bank and has pledged to safeguard its mandate for environmentally responsible infrastructure.

Once fully transitioned, the newly-realigned Green Investment Bank will oversee some £4Bn worth of green infrastructure initiatives, courtesy of investors MEIF5, USS, GCP Infrastructure and the UK Government. The aim here is to establish three new investment platforms; one for offshore wind, another for low carbon lending, and a third for green infrastructure investment.

Discussing the acquisition, Daniel Wong - Head of Macquarie Capital in Europe - said: "It is a privilege to be selected by HM Government to acquire the Green Investment Bank. The Green Investment Bank is a pioneering business, with outstanding people, expertise, credentials, brand and networks. By combining the Green Investment Bank with the largest infrastructure investor in the world, we will create a market leading platform dedicated to investment in the low carbon economy in the UK and beyond. We understand the responsibilities that come with this ownership, and we are fully committed to maintaining its green purpose as we grow the business."

And grow the business they shall. The Green Investment Bank is set to become Macquarie's central platform for green infrastructure investment, both in the UK and abroad. The financial provider is already a substantial investor in the UK's renewable energy sector, and it will now look to integrate these energy concerns with those of the Green Investment Bank.

Crucially, both the Green Investment Bank brand and its sizable Edinburgh presence will be maintained - welcome relief to the organisation's existing workforce, I'm sure. What's more, Macquarie has elected to honour the Green Investment Bank's aim of £3Bn in new investment for renewable energy initiatives over the coming three years - either directly or by wrangling capital from other investors. Funding will go towards energy efficiency initiatives, bioenergy and energy from waste, onshore and offshore wind, solar and tidal energy, and energy storage.

Responding to the acquisition, Lord Smith of Kelvin - Independent Chair of the Green Investment Bank (GIB) - commented: "Macquarie has made significant and important commitments to the UK Government to maintain GIB as a discrete entity within its business, maintaining GIB's investment focus and approach with a target to invest more capital each year than GIB has historically. Macquarie will also uphold GIB's green investment principles and report transparently on GIB's green impact. Macquarie will utilise the market-leading expertise of the existing GIB team and will build on GIB's deep commitment to Edinburgh."

Collaboration with the UK Government - via UK Climate Investments and the Department of Business, Energy and Industrial Strategy - will continue in spite of the privatisation. Furthermore, both the Green Investment Bank and the Government will contribute to a new renewable energy investment platform to manage a small number of existing assets and initiatives.

Lord Smith concluded: "GIB in private ownership can, and should, continue to play an important leadership role in supporting the global low carbon transition and the UK Government's ambitious plans for a strengthened industrial strategy and emissions reduction."

Subject to an in-depth regulatory approvals process, the transaction will be finalised in the first half of 2017.

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