

APPROVED

**WRITTEN QUESTION TO THE MINISTER FOR INFRASTRUCTURE
BY SENATOR S.C. FERGUSON
ANSWER TO BE TABLED ON TUESDAY 18TH APRIL 2017**

Question

For each section or service within his Department which has been cut, could the Minister specify the name of the section or service and the annual cost prior to outsourcing and for the outsourced service?

Could he confirm that the specification for the outsourced service is identical to the specification required before outsourcing?

Answer

The Department for Infrastructure (DfI) has undertaken, and is continuing to undertake, a wide ranging programme of service reviews across the whole of its portfolio in line with Lean principles. Services have been redesigned, improved, out-sourced, transferred to other Departments, ceased or in some cases taken back in-house. In many instances, the standards of service have been at least maintained, if not improved, although the opportunity has been taken to review service standards and reduce if deemed appropriate.

The majority of the impacts have been seen in the following areas, which have been subject of the first tranche of service reviews (which commenced in 2015, so the figures below are based on the original service cost in 2014 compared to the average cost over the 5-year contract duration of the new provision – as contracts “bed in” minor changes to specifications and costs may be made should it prove necessary, however, these changes are expected to be insignificant):

	2014 cost	2016-2021 averaged
Cleaning Services - DfI	£1,096,299	£380,582
Cleaning Services - Others	£462,391	£271,118
	£1,558,690	£651,700
Parks and Gardens - DfI	£571,368	£455,759
Parks and Gardens - Others	£331,922	£250,684
	£903,290	£706,443
	£2,461,980	£1,358,142

Cleaning Services – where service specifications were amended, e.g. frequency of cleaning some areas during winter months, the costs of outsourcing were compared to the revised cost of delivering a similar service internally. In no instance was a service out-sourced where it could be delivered more cost effectively in-house.

Parks and Gardens – service specifications for DfI areas have been in general maintained, although some services such as park keeper duties have been reviewed and remodelled. Where contracts with other departments have been ceased, DfI has worked with those departments to develop tender processes and service specifications that are comparable to the DfI specification and process, although the final decision on service levels, pricing and selected contractor is with the client department. 2 sections have been rationalised and staff and equipment transferred to client departments, namely playing field maintenance to EDTSC and countryside rangers to DoE.

Contracts have been entered into with a selection of private sector providers, who were included in a “responsible employer” tender process. In addition, services have also been transferred to client departments in some instances where the closer relationship with their clients could provide service benefits. Where appropriate, the Parish of St. Helier has also undertaken contracts under a SLA with the department, working to similar specifications as the former provision.

No other area of the Department has been outsourced as a result of savings required in the MTFP 2016-2019, however, contractors regularly undertake work on behalf of the Department to meet service needs and priorities.