

**WRITTEN QUESTION TO THE MINISTER FOR INFRASTRUCTURE  
BY DEPUTY R.J. WARD OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 26th JUNE 2018**

**Question**

Will the Minister advise –

- (a) what services of the Department of Infrastructure were outsourced during the last term of the States and to which companies;
- (b) what savings were made, if any, in each tranche of outsourcing;
- (c) how much of any such savings were dependent on a reduction in wages or staffing levels, or a change in working terms and conditions; and
- (d) how many of these outsourced contracts involved the use of zero-hours contracts?

**Answer**

- (a) What services of the Department of Infrastructure were outsourced during the last term of the States and to which companies?**

In 2016 the following services were outsourced by DfI to the private sector:

Cleaning:

- |                                   |     |
|-----------------------------------|-----|
| • Public toilet cleaning          | AFM |
| • States offices cleaning         | G4S |
| • Multi-storey car parks cleaning | AFM |
| • Markets cleaning and caretaking | JCF |

Gardening and Grounds Maintenance:

- |   |                                |
|---|--------------------------------|
| • Small garden areas, verges and trees east           | Elite                          |
| • St Aubin's Bay, West Park to Brelade's Parish Hall  | CA Frazier Ltd                 |
| • The Railway walk and Pont Marquet Country Park      | Ransome Horticultural Services |
| • The Gorey Area                                      | CA Frazier Ltd                 |
| • Park Keeping and Paddling pool maintenance          | G4S                            |
| • Primary School sites general gardening contracts    | Elite                          |
| • Primary School playing fields mowing & line marking | Elite                          |
| • Secondary school maintenance of gardens             | Ransome Horticultural Services |

In addition the following areas of service were outsourced to the Parish of St Helier who employ staff on similar terms, conditions and pay grades as DfI:

- |   |                     |
|---|---------------------|
| • Town Cleaning                           | Parish of St Helier |
| • Millennium Town Park garden maintenance | Parish of St Helier |

The following areas of service were transferred to States Departments for whom DfI previously carried out work on a 'contractor' basis:

- The Playing Fields Section was transferred to Economic Development, Tourism, Sport and Culture Department, as it was named at the time;
- The Countryside Rangers Team was transferred to the Department of Environment.

**(b) What savings were made, if any, in each tranche of outsourcing?**

For the areas included in this tranche of outsourcing the figures below are based on the original service costs in 2014 compared to the average cost over the 5 year contract duration of the new provision. As contracts have “bedded in” a small number of minor changes to specifications and costs have become necessary, however, these changes have not been significant:

Service Area – DfI & Other Depts. for whom DfI provided services:	2014 budget costs	2016 – 2021 average annual contract costs of outsourced services *	Service cost savings
Cleaning Services - DfI	£1,096,000	£381,000	£715,000
Cleaning Services – Other Depts.	£462,000	£271,000	£191,000
Parks & Gardens - DfI	£572,000	£456,000	£116,000
Parks & Gardens – Other Depts.	£332,000	£251,000	£81,000
Totals	£2,462,000	£1,359,000	£1,103,000

Note: \* Tender prices were required for a 5-year term with an in-built inflationary mechanism included, hence the use of ‘averaging’.

**(c) How much of any such savings were dependent on a reduction in wages or staffing levels, or a change in working terms and conditions?**

Contractors were appointed as a result of a tender process which included pre-qualification, tender and interview stages. Both commercial and quality aspects of the service were evaluated in order to identify those companies that the department were able to consider for the provision of the services. Part of the quality aspect of the evaluation centred on determining whether the company was a ‘Responsible Employer’. A Responsible Employer in this sense is an employer;

- That can demonstrate a track record of compliance with employment legislation;
- Is not reliant upon the need for employment licenses to fulfil the services they are tendering for;
- Committed to the delivery of appropriate training and the development of skills as befits the role;
- That has policies and processes consistent with the responsibilities they have as employers under the relevant legislation;
- That uses terms and conditions of employment appropriate to the sector they are operating in.

The tender evaluation process placed greater emphasis, at 60%, on the quality aspect of the bid (within which the ‘Responsible Employer’ element was considered), than the Commercial aspect (price etc.) element at only 40%.

The quality criteria was based upon the following areas:

- Responsible Employer
- Staff Resource
- Management and Delivery of Services
- Delivery Approach
- Contract Management
- Mobilisation and Exit Management

All the service areas involved had been subject to review and future service specifications revised as appropriate:

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 were in general maintained, although some services such as park keeper duties were reviewed and remodelled. Where contracts with other departments were being ceased, DfI worked with those departments to develop tender processes and service specifications that were comparable to the DfI specification and process, although the final decision on service levels, pricing and selected contractor remained with the client department. Two sections were rationalised and staff and equipment transferred to client departments, namely playing field maintenance to EDTS&C, as it was named at the time, and countryside rangers to DoE.

In addition, where appropriate, the Parish of St Helier also undertook some contracts under a SLA with DfI working to similar specifications as the former provision.

**d) How many of these outsourced contracts involved the use of zero-hours contracts?**

None.

As part of the formal tender process all responses were required to include statements of the number of staff to be engaged in the work, the employment contract type and general information on pay levels and benefits offered.

All contractors appointed stated that the staff to be engaged in fulfilling the contracts would be either on full-time or part-time permanent contracts of employment. The department's contract managers have seen no evidence of this not being the case.