

2019.11.12

**1 Senator S.C. Ferguson of the Minister for Treasury and Resources regarding training contracts issued by Government Departments: (OQ.284/2019)**

Are Government departments permitted to assign training contracts to companies without putting them out to tender; if so, why is that the case and how many such contracts have been assigned in this way?

**Deputy S.J. Pinel of St. Clement (The Minister for Treasury and Resources):**

No, Government departments are not permitted to assign training contracts to companies without following Financial Directions and applying appropriate process to the value being spent. As an example, all contracts, including training contracts, where the value of the contract exceeds £100,000 must follow the tender process, unless an exemption has been granted. Where the value of a contract is between £25,000 and £100,000, 3 quotations must be sought and below £25,000 a single quotation is appropriate.

**3.1.1 Senator S.C. Ferguson:**

Would the Minister please inform us how many contracts have been assigned without going out to tender?

**Deputy S.J. Pinel:**

All the contracts that are signed are held at departmental level, so I do not have the information of the whole collated amount.

**3.1.2 Senator S.C. Ferguson:**

In which case, will the Minister investigate and report back to the Assembly with a list of what contracts have been awarded without going out to tender?

**Deputy S.J. Pinel:**

Is the Senator referring to all the contracts under £100,000?

**Senator S.C. Ferguson:**

I am concerned, because these training contracts are all with small businesses and the problem there is that if you award them without going to tender, you are acting unfairly with regard to small businesses and, therefore, I think it is appropriate that the States know how many of these anti-competitive awards of training contracts have been made and to whom.

**Deputy S.J. Pinel:**

I think I answered the question inasmuch as if the contract is under £25,000 then there is no need for it to go to tender. It will just be a quotation of that amount. Because of the time it takes to do tendering, where the contract is under £25,000 and, as the Senator rightly says, most of these go to small businesses anyway, so it is hardly unfair on small business.

**3.1.3 Senator S.C. Ferguson:**

I think there is possibly a problem in that, in some cases, the contracts have been awarded to organisations which are perhaps not the optimal organisation to perform the contract.

**The Deputy Greffier of the States (in the Chair):**

Your question, Senator?

**Senator S.C. Ferguson:**

Will the Minister therefore check and see, particularly in the small business area, how many there have been, because each department should know, surely and will the Minister then report back to the States with how many there have been and to whom they have been awarded?

**Deputy S.J. Pinel:**

As I say, all these contracts come under Financial Directions and I will see if I can provide the numbers, but I am not quite sure that it is entirely possible with so many being awarded.

**Senator T.A. Vallois:**

May I raise the *défaut* on Senator Moore please?

**The Deputy Greffier of the States (in the Chair):**

Do Members agree that the *défaut* should be raised?

**Senator T.A. Vallois:**

And Deputy Southern please.

**The Deputy Greffier of the States (in the Chair):**

Very well, the *défaut* is raised on Senator Moore and Deputy Southern. Question 2 on the Order Paper is by Deputy Doublet who is, unfortunately, *malade* so we then move to question 3.