

2.18 The Deputy of Grouville of the Minister for Transport and Technical Services regarding the percentage of works put out to tender by the Transport and Technical Services Department and undertaken by outside firms:

Would the Minister state, of all the design, building and engineering works that need to be carried out by the Transport and Technical Services Department, what percentage of works is put out to tender and what proportion is undertaken by outside firms?

The Connétable of St. Brelade (The Minister for Transport and Technical Services):

While it is difficult to give a meaningful answer to this question without spending an inordinate amount of time analysing information, I would answer in general that all capital and engineering works are undertaken as efficiently as possible with due consideration to the risk, time factors, quality and whole-life costs of a project or scheme. The majority of capital works are undertaken by external companies and if we possess the sufficient skills and capacity within the department then those are utilised. Any expenditure has to conform to Treasury financial code of directions, including 5.6, which is a control of capital expenditure and 5.7 which is the purchasing of goods and services. I am happy to pass those on to the Deputy. These include mandatory tendering requirements which set out the specific levels and actions required to make sure value for money is obtained.

2.18.1 The Deputy of Grouville:

The Minister said in his answer that works that can be carried out by the department are carried out as efficiently as possible. How can he say that if the work does not go out for tender; he has got no comparisons, therefore, we do not know if we are getting value for money?

The Connétable of St. Brelade:

I think it depends on the nature of the work. Very often my department will do the work if we have spare capacity with the department or if we have the specialised knowledge to deal with it. There seems little point in tendering outside contractors where we have got the ability to use our own staff, and that is usually our preferred course.

2.18.2 Deputy R.G. Le Hérissier:

Would the Minister answer whether there exists what might be called “invisible barriers”, for example, a company needing a certain type of equipment needing a certain kind of spares backup, and that when these conditions are applied, it makes the tendering field much different to what was originally envisaged?

The Connétable of St. Brelade:

Clearly, in order to provide the public with value for money, there has to be a certain degree of confidence in the contractor and, in the larger contracts, there will be bond required from those tendering and that is normal contractual practice, so we do adhere to that.

2.18.3 The Deputy of Grouville:

I am concerned with this situation; that just because the department has spare capacity that it is just assumed that the work is carried out by that department. There can be no benchmarks doing it this way. There is a hungry marketplace out there and would the Minister consider that this might be a matter for the Public Accounts Committee to see if we are getting value for money in this area?

The Connétable of St. Brelade:

I see little point in my department paying the staff to sit about doing nothing while someone else carries out the contract but, having said that, I am perfectly happy for the Public Accounts Committee to look at any area of my department.

The Bailiff:

Very well. We will come to the next question, which Deputy Le Hérisier will ask the Minister for Health and Social Services.