Policy Briefing: Students' Union UCL should lobby UCL to bring all outsourced support staff in-house

Date: November 2022
Audience: Welfare & Community Zone

What is the current situation at UCL related to this proposal?

The outsourcing of staff
Outsourced staff members are employees employed by an external provider who have a contract with UCL to deliver specialist services. Many companies do this in order to reduce their HR workload, offer additional flexibility, and reduce overhead costs. Current outsourced services at UCL include cleaning, portering, catering and security. These services have been managed by external providers since 2000, in line with many other higher education institutions in the UK.[1]

Cited benefits of keeping staff outsourced include: 1) improved job flexibility; 2) higher take home pay (due to comparatively lower pension contributions); 3) no HR overheads (e.g. training, recruitment, National Insurance contributions); 4) faster hiring/ improved ability to cover empty shifts.[2]

Bringing these staff 'in-house' would mean that they are directly employed by UCL. This would entitle them to the same benefits as all other UCL employees (e.g. pension contributions, pay, holiday entitlement, etc.). UCL-University and College Union (UCL-UCU) continues to support the demands for these staff to be brought in-house.[3]

In 2019 outsourced cleaners and security at UCL won additional rights and conditions, including annual leave entitlement, parental leave, pay grading, sickness benefits and pension contributions. Regarding the implementation of these additional rights and conditions, in October 2019 UCL management said that by August 2021 "pay and core benefits" for outsourced staff would match that of directly employed workers; however, it has been reported that these improved conditions are yet to be fully realised.[4, 5] According to the Independent Workers Union of Great Britain (IWGB), outsourced cleaners still face "precarious zero-hour contracts and overworking, following sweeping redundancies at the start of the pandemic", and outsourced security staff face "regular attempts to change their working hours without consultation, as well as repeated payroll errors".[6]

In May 2022, over 100 outsourced cleaners and security staff at UCL and London School of Hygiene and Tropical Medicine (LSHTM) protested in order to demand "dignified pay and an end to exploitative

[1] https://www.ucl.ac.uk/human-resources/pay-benefits/working-external-providers
[2] https://www.outsourcinginsight.com/7-benefits-of-outsourcing-staffing-services/
[3] https://www.ucl.ac.uk/ucu/news/2022/jun/ucl-ucu-annual-general-meeting-voting-reminder-motions-debate-draft-minutes-2021-agm
[4] https://www.ucl.ac.uk/news/2019/nov/equalised-pay-and-benefits-confirmed-ucls-security-cleaning-portering-and-catering-staff
[5] https://www.socialist.net/outsourced-university-workers-bring-them-in.htm
[6] Ibid.

where more happens

outsourcing at UCL".[7] This campaign has persisted into autumn 2022, with outsourced security staff at UCL from the IWGB union voting unanimously to take strike action over pay and union recognition.[8]

Concerns regarding the conduct of outsourced staff
According to UCL student media reports, there have been allegations of sexual harassment, intimidating behaviour, and "abuse of power" by outsourced security staff.[9] Whilst UCL reports that all security officers are trained in compliance with SIA licensing (Security Industry Authority accreditation is a general one required for most security guards in the UK), training on how to interact with the overall student body is delegated to supervisors and, as demonstrated through their reliance on temporary security guards, it is not completed by all security guards on campus.[10] Although UCL has "significantly reduced" its reliance on temporary security guards, student media writers believe that the lack of experience and UCL specific training for these temporary staff puts students at risk.[11]

What would change if the policy was successful?

If UCL were to adopt this policy, currently outsourced staff would be brought 'in-house' and be directly employed by UCL. This would offer staff additional employment benefits (e.g., increased pay, additional job security).

Additionally, these staff would then be directly accountable to UCL and would have to undertake the same compulsory training as all other UCL employees (e.g., safeguarding training, unconscious bias training).

Considering the cost implications of this policy, there would be initial increased costs for UCL. As well as wages, UCL would need to pay for the increased overheads including pension contributions, pay-roll costs, national insurance, infrastructure, employee support and contract costs. UCL would either need to source additional income or reallocate existing funding from other sources.

What is the relevant national / international context to this situation?

UCU have made a four-point case against outsourcing, arguing that: 1) outsourcing has a detrimental effect on staff and therefore on quality; 2) outsourcing is risky and entails hidden costs; 3) the potential cost savings are exaggerated; 4) outsourcing represents an "unacceptable gamble with the reputation of colleges and universities".[12] Considering UCU's claim of there being a detrimental effect on quality, research has shown that "artificial fragmentation of an integrated service can lead to major quality downsides", particularly within university or hospital settings.[13]

Additionally, in recent years there has been increased strike action from outsourced staff at the University of London and other universities across the country; demands for these staff include being brought 'in-house'.[14]

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[7] https://iwgb.org.uk/en/post/outsourced-workers-protest-at-university-of-london-in-fight-for-dignified-pay-and-end-to-exploitative-outsourcing/

[8] https://freedomnews.org.uk/2022/09/27/security-staff-at-university-college-london-to-strike-over-pay-as-part-of-campaign-against-outsourcing/

[9] https://cheesegratermagazine.org/2022/02/25/violated-harassed-ignored-abuse-in-halls-by-ucl-security-guards/

[10] Ibid.

[11] Ibid.

[12] https://www.ucu.org.uk/media/5876/Fighting-privatisation-toolkit-Making-the-case-against-outsourcing/pdf/ucu_privtkit_makingthecase.pdf

[13] https://www.academia.edu/5124590/Shared_business_services_outsourcing_Progress_at_work_or_work_in_progress_Professor_of_European_Employment_Relations

[14] https://www.twinfm.com/article/outsourced-university-workers-have-announced-yet-another-round-of-industrial-action

As evidenced by current job advertisements, there is existing precedent for bringing outsourced support 'in-house' at universities including Durham University and colleges at the University of Cambridge and University of Oxford (such as cleaning and portering staff), however outsourcing of certain student support roles (such as security staff) is common across the sector.

In support of maintaining outsourcing, cost and expertise are regularly cited as two major factors which enable universities to focus on their core business whilst specialist providers effectively deal with their own area. Additionally, outsourcing of staff may reduce risk for the institution. Neal Grant, Head of Business Development at Derwent Facilities Management (a third-party provider of estates management) writes: "delivering to industry-recognised best practices, providers can almost guarantee [meeting] a compliant standard for the university. This means any potential reputational damage from non-compliant services […] is removed entirely and the university can be sure they are adhering to all legislative standards".[15]

Are there any legal implications to this policy proposal?

No.

Does this relate to any existing SU policy?

No.

Are there any financial, resource or stakeholder / public relations issues with this policy proposal?

No.

Are there any sustainability implications to this policy proposal?

No.

Are there any equity and inclusion implications to this policy proposal?

According to the workers union, Unison's information on health and safety, "your working environment is affected by factors including health and safety, security and working hours. A poor working environment can damage your health and put your safety at risk. Your employer is legally responsible for ensuring good working conditions".[16] If workers are brought 'in-house', UCL will be legally responsible for ensuring fair and equitable working conditions for these staff, and have more control over the support provided for these staff members and their working conditions

What would the next steps be if the proposal passed?

If the policy is passed the Union would lobby UCL to bring outsourced staff 'in house' at UCL.

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[15] https://universitybusiness.co.uk/facilities/facilities-management-the-pros-cons-of-outsourcing/
[16] https://www.unison.org.uk/get-help/knowledge/health-and-safety/working-environment/#:~:text=Your%20working%20environment%20is%20affected,a%20responsibility%20to%20work%20safely%20.