

Outsourced Contracts Review

The Litmus Report

Our consultants, the Litmus Partnership, reported in January 2008 with a presentation to Executive Board

The report has highlighted the opportunities for improving services through a process of review, co-ordination and procurement. A significant element of the brief involved tackling the issues surrounding the London Living Wage campaign.

Litmus are currently preparing a summary report for issue to the key stakeholders. This paper is intended to provide an overview and comment is invited from the stakeholder group.

Current Situation

The existing contractors have been given notice and SOAS will begin the process of putting in place a structure for a future provision of these services. As a first step Litmus Partnership are preparing a revised contract specification which will provide the basis the pricing of these options. SOAS will take part in the larger LUPC tender for cleaning and security services, however this will sit within a broader structure and it is proposed that the SOAS contract specification will be priced in the following manner:

1. Outsourced solution with pay at the rate determined by current market conditions
2. Outsourced solution with pay at the rate determined with reference to the Framework Agreement and the HERA* results
3. Insourced solution with pay at a rate determined by the Framework Agreement and the HERA results

Future Developments

It is not possible to provide overall cost estimates at this juncture however it is likely that options 2 and 3 will be more expensive, and additionally under option 3 SOAS will need to consider the ramifications of the employment of a significant number of new staff on its existing infrastructures. While the 'unit cost' within the options outlined above may be more expensive than our current outlay it is anticipated that an element of budget stability is introduced by the efficiencies gained within the contract management and staff deployment.

It is envisaged that Option 3 will be priced by the Head of Estates, and compared to Options 1 and 2.

Timescale

5 March to 14 April (cleaning) + two weeks evaluation

Internal Approval

The process will refer to Resources and Planning Committee which meets on the 20 May and Governing Body which meets on the 14 June. Final approval of the process will be made by Governing Body.

Richard Poulson
Head of Estates
21/02/08

** HERA (Higher Education Role Analysis). The tool used by SOAS as part of the implementation of the Framework Agreement. A national process whereby all roles within the Higher Education sector have been benchmarked to produce a unified pay spine.*