

# Independent Workers Union of Great Britain



## **Proposal to bring Cordant Security staff in-house at the University of London**

### **Background**

The current situation as regards security is as follows:

- The University pays roughly £3.5m per year to Cordant Security to provide its security needs. 20% of this figure goes in VAT and we estimate, based on the company's accounts, that 15% of it constitutes Cordant's profits.
- A further proportion goes towards duplicating management functions, as in-house managers in P&FM are required to manage the contract alongside Cordant managers.
- Cordant (as we have reported to the University) has been over-charging the University for staff hours that it is not providing.
- Cordant (as we have reported to both the University and the SIA) has been illegally using unlicensed security during strikes, potentially exposing the University to prosecution.
- Pre-2011, security officers were paid a higher rate than some other outsourced staff, reflecting the varying qualifications and responsibilities of outsourced roles. However, over the last 6 years the University and its subcontractors have quietly erased this difference, effectively down-grading security officers onto the lowest pay rate regardless of role.
- Front-line staff are paid on average £9.94 an hour, receive 33 days annual leave (including bank holidays), a tiny pension and inferior maternity and paternity rights to their directly-employed colleagues – despite the fact that many aspects of their work are substantially similar to some direct staff.
- Essentially a two-tier workforce exists, with security officers on worse terms and conditions than University staff, and without the same access to University facilities and schemes.
- The outsourced workforce thus affected is predominantly BME, in contrast to the University's directly-employed workforce.
- The affected staff are so discontented that they have taken 5 days of strike action already and are planning more. They have signalled that they do not intend to discontinue this costly and disruptive action until there is meaningful engagement from the University.

Similar issues are also facing staff in the University's post room, AV and portering services.

## Proposed solution

We believe that outsourcing has been damaging to the University financially, reputationally and in terms of good industrial relations. Colleges of the University have also begun to take this view, most recently with LSE agreeing to bring all cleaning staff in house by 2018, Queen Mary having done so already and SOAS having the situation under consideration currently.

Should the University of London bring the affected staff back in house:

- They could be paid at the equivalent of £12 per hour initially, and receive SAUL pensions.
- If it is assumed that all security work 60 hours per week (which is a huge overestimate) that would convert to a gross salary of £37,440 per person. Add on costs of 25% (to include pensions, NI contribution etc.) bring this figure to £46800. We believe there are currently 50 security officers on site, bringing total spend to £2,340,000 per annum.
- Add to this 20 porters, postroom and AV staff at the same rate, working on 40 hours per week: a total of roughly £620,000 per year.
- This makes a grand total of £2,960,000. By bringing these staff in house, **the University would SAVE more than £500,000 per year.**
- The employees would all receive the pay rise they have been demanding **and** would also receive a University pension – with all the benefits to the University of a happy workforce and a reputation as a responsible employer.
- The University would no longer have to deal with Cordant or undertake costly tendering processes when contracts end.
- The University would no longer have to deal with the massive reputational damage of ongoing strikes and demonstrations, as well as the barrage of social media criticism for its treatment of these staff.
- The University will be able to be as proud of its progressive present as of its radical past (such as the 150-year Women and UoL anniversary) – which would be a great marketing point (see the positive coverage of Queen Mary when it brought cleaners in-house a decade ago)
- Staff would all share one employer – with massive benefits to efficiency and collegiality.

The staff mentioned in this proposal are just examples – similar benefits could be extrapolated from bringing cleaners, caterers and maintenance in-house.

**Effectively, we believe this proposal results in a positive outcome for all – outsourced staff, in-house staff, the University as a whole and the University's financial health.** Indeed, in our view it is the only responsible step for the University's management team to take.

To conclude: the aim of these initial proposals is to end the dispute at the University, which benefits no one. We would be happy to discuss figures in more depth, and understand that there are bound to be other costs. However, we are confident that even a small net cost to the University would be vastly outweighed by the huge benefits outlined above.

University of London IWGB, July 2017