

Statement by the Council of the University of Cape Town

Services provided by third party contractors

During 2013, Council requested the University Executive to review the policy on outsourcing. There are six services (catering in student residences, campus security, cleaning, residences cleaning, grounds and gardening services and the operation of the Jammie Shuttle) that are provided by third party contractors. The Executive commissioned an expert team to review current practice, to assess the arguments for, and costs of, insourcing, to look at the national policy context and national and international trends, and to make recommendations.

This expert team delivered its technical review in April 2014 and the executive prepared a preliminary response, both of which were considered by the University Council at its meeting in June 2014. Council decided that more work should be done on the options and on the costing, that the panel's report and the executive's recommendations should be revisited, that there should be further consultation with the Institutional Forum (which had asked for more time to consider the recommendations) and other University constituencies, and that the matter should come back to Council within three months.

The student residences catering contract comes to an end at 31 December 2014. The Council has confirmed the proposal, made by the SRC and residence students, that the new (2015 to 2017 or 2019) contract should now be entered into after a public tender process, rather than extend the contract of the current service provider for a short period pending the review of outsourcing. This service will thus continue to be outsourced for the next cycle. But Council also agreed with the Executive recommendation that this be subject to a new and revised code of conduct, which will ensure that the service provider abides by specified minimum wage levels and appropriate labour practices. The existing code, which has applied to all outsourced service providers up to now, and which is both an unusual if not unique intervention by a contracting party, and has secured some rights for the service providers' workers, has not always proved to be enforceable. It will thus be revised and a new code will apply to the new contract.