



Swansea University

Swansea University spans two campuses at each end of Swansea's waterfront. Singleton Park Campus is set in mature parkland and botanical gardens, overlooking Swansea Bay beach. Bay Campus is located on the beachfront on the eastern approach into Swansea.

There are approximately 18,000 students and 4,000 staff.

Background

The catering and retail services are provided by in-house teams across the two campuses. The last external review of the services had been conducted ten years ago, and much had changed at the University in the intervening period, including the opening of the new Bay campus to the east of Singleton in 2015.

With this in mind, the University engaged the services of The Litmus Partnership to conduct an options appraisal in order to determine the most appropriate strategy and service delivery model for the provision of catering and retail services in the future.

Brief

- ▶ To conduct a 360 degree review of the services to identify opportunities for service improvements and revenue growth including potential new revenue streams
- ▶ To utilise the results of consumer research to inform potential changes to the catering and retail offers
- ▶ To assess the future food and beverage requirements against the forecast student numbers and suggest any changes in space allocation or improvements to facilities that may be required
- ▶ Taking account of the above, conduct an options appraisal to determine the most appropriate strategy and service delivery model for the future
- ▶ To create an outline implementation plan and identify next steps for the recommended option

Approach

The review and options appraisal were carried out between February and April 2019.

Activities whilst our consultants spent time on the two campuses included: Across the tender process we were involved in the following activities:

- ▶ Interviewing a cross section of stakeholders – 21 in total
- ▶ Holding a student focus group at each campus
- ▶ Visiting the catering outlets and supporting kitchens at each campus
- ▶ Sampling lunch and snacks at both campuses
- ▶ Observing a number of services during different day parts and speaking with some customers

Desk based activities included:

- ▶ Analysis of financial trading information and staffing structures
- ▶ Reviewing the University's catering strategy and development plan
- ▶ Using the output from the focus groups we conducted an online Consumer Insight survey
- ▶ Measuring the University's key financial metrics against HE sector benchmarks using data we have assembled from more than 50 UK universities.

We then took the key findings from our research and analysis to inform the options appraisal where we considered the following options against a set of agreed criteria:

1. Do nothing
2. Joint venture with the Students Union
3. Resolve the issues internally
4. Outsourcing ~ Tender for a catering contractor to fully manage the service and make the required changes
5. Mixed economy ~ University running some outlets and a private operator(s) running others
6. Executive lease ~ Support from a contract caterer whilst retaining control
7. Special Purpose Vehicle ~ Creating a separate legal entity to operate the catering

Outcomes

The two favoured options that emerged from the options appraisal, and which we debated with the University project team, were either to resolve the issues internally or to outsource.

The in-house option would have been less controversial but would have required backing from the University Executive Board to resolve staffing issues and restrictive working practices along with access to funds to invest in suitable financial systems and in the catering facilities to address back of house infrastructure and equipment issues and to modernise some of the catering outlets and seating areas.

Following internal discussions, the University took the decision to outsource the services.

The Litmus Partnership was appointed to manage the tender using the competitive dialogue process and this is currently underway. The tender timetable runs from July 2020 to March 2021.



For more information about Litmus get in touch:

Email us at mailbox@litmuspartnership.co.uk

www.litmuspartnership.co.uk