

**Minute of APUC Board Meeting held at 13:30 a.m. on Thursday 13 May 2021 online via MS Teams.**

**Present**

Jim McGeorge (Chair)	University of Dundee
David Beattie (DB)	University of Aberdeen
Veronica Strachan (VS)	Robert Gordon University
Janet Thomson (JT)	Glasgow Clyde College
Pete Smith (PS)	North East Scotland College
Fiona Gavine (FG)	Independent
Maureen McCreath (MM)	Independent
Phil McNaul (PM)	Independent
Angus Warren (AW)	APUC Ltd (Chief Executive)

**In attendance**

Michael Caithness (Sec)	APUC Ltd
Stephen Richardson (SR)	APUC Ltd. (Item 2 only)

**Welcome**

1. The Chair thanked everyone for attending and noted that Margaret Cook had sent apologies due to attending a Colleges Scotland meeting.

**Workstream Review - eSolutions**

2. Chair welcomed SR and invited him to present the eSolution Workstream update.
3. SR gave a PowerPoint presentation highlighting the following topics noting that while eSolutions was responsible for IT support and Cyber Essentials accreditation, his slides on this occasion were focussed on the Hunter Data Management Tool:
  - Technology Landscape showing all of the areas of scope of eSolutions by way of introduction to the presentation. *Those featured in blue are Scottish Government and those in purple are provided by APUC.*
  - Data Repository system diagram  
*Diagram shows the links of all services to the Data Repository.*
  - Data repository on SQL server  
*Explains that the Data Repository is hosted on 2 servers and how it is backed up.*
  - Hunter functionality overview  
*Diagram shows all of the features provided in Hunter.*
  - Contract Uptake functionality overview  
*Diagram shows all of the features for planning and reporting provided by the Contract Uptake website.*
  - SCM functionality overview  
*Diagram shows all of the services provided in the Supplier Contract Management module including Section 1 and 2 questionnaires.*
  - Supplier portal functionality overview  
*Diagram shows all of the supplier information contained in the portal.*

- Hunter web development overview  
*Information on the development of the web version of Hunter. This is a major piece of work and could result in a product with commercial potential.*

4. Chair thanked SR for his interesting presentation and invited questions from the Board.
5. PM noted the interesting presentation and asked, given the commercial potential of the Hunter model, how the IP is protected. SR advised that agreements are already in place with external organisations that are currently using Hunter. These highlight that they receive the service as a service and have no rights to IP. He stressed that development was done wholly in-house, and the IP is 100% owned by APUC. He added that the tool is superior to any alternatives available at present.
6. PM asked who it could be sold to and if there were any other services that could be considered for exploitation such as finance, HR etc. SR advised that JISC was currently adopting Hunter for use for managing their procurement environment.
7. AW advised that there are a few options for taking Hunter outside the sector and that the current work on web enablement would make it more attractive. He added that supplier contract management tools could also have potential for marketing outside the Scottish sector.
8. FG noted that Hunter has had lots of features added as it had evolved and wondered if it might be time for something new. In response, SR advised that Hunter was very robust and still has huge scope for enhancements such as the recently introduced Scope 3 emissions reporting. He noted that Hunter is modular and could be configured to suit any future requirements.
9. DB asked how Scope 3 would be developed and SR advised that reporting at present is on historical data but noted that it could be used for forward planning and as a forecasting tool.
10. AW noted that there is potential for institutions to use Hunter to evaluate suppliers and prioritise tendering climate emission reduction activity. He added that it had received a glowing report from the University of Strathclyde and that 'laboratory supplies' is an area to benefit significantly from using this tool as it was not widely considered in the past to be a major impact area of climate change until this reporting tool highlighted that it was.
11. MM asked how high-risk suppliers are identified and SR explained that, for example, suppliers from countries where there is a risk of slavery in the workforce can be identified using a 3<sup>rd</sup> party data provider. AW confirmed that suppliers go through a prioritisation process based on a tool provided by the Scottish Government, which had enabled APUC to identify their top 100 'higher risk' suppliers.
12. JT asked what the plans were for access to the web-based tools and SR advised that they were widely in use across institutions already. He also suggested that sector Board members may want to access the "Contract Uptake" website, which was a multipurpose customer information portal. Board members can obtain access via SR or via the APUC [helpdesk@apuc-scot.ac.uk](mailto:helpdesk@apuc-scot.ac.uk)
13. Chair noted the good balance of the presentation and questions and thanked SR and the eSolutions team for their good work.

### **Minutes of Previous Board Meeting**

14. The minutes of the 16 February 2021 Board meeting were approved as an accurate record of the meeting.

## **Matters Arising: APUC/05/2021**

15. All Matters Arising from the previous Board meeting had been actioned or scheduled as outlined in paper APUC/05/2021.
16. Chair noted that item 27, relating to feedback from the staff welfare/counselling provider, would be presented at the August Board meeting. (**ACTION: AW**)

## **Summary Report: APUC/06/2021**

AW gave the following updates on the Summary Report (APUC/06/2021):

### General

17. COVID has had an impact on the level of collaborative spend as many areas of very high collaboration (e.g. catering, temporary staff etc) had been severely impacted due to home working/study. Spend is in line with the expected effect of COVID and it is currently expected that it will be the 2022/23 academic year before we return to normal spend profiles.
18. Level of savings is much as expected given the current situation.
19. APUC staff morale has improved of late due to slightly better weather, more sunlight and easing of COVID restrictions.
20. The level of interaction and discussion at the recent online Contracting Priorities Workshop (CPW) was higher than at any physical CPW that has taken place in recent years. This indicated that there might be certain kinds of activity that should stay online post-COVID.
21. Impacts from Brexit appear to be generally blended with COVID impacts, albeit that COVID-related shortages appear to be the larger impact area (due to increased demand and / or factory COVID closures).

### Staffing

22. APUC@Work has been updated and remains in draft form, but the intention is for it to be published in June but to take effect when distancing rules are removed. It is likely to include guidance for a roughly 60/40 ratio of remote/office work coming out of COVID, and this seems to be in line with other similar employers.
23. Rica Bieke, the APUC Head of Responsible Procurement has been recognised for her contribution to Sustainability across the UK University and College sectors by being awarded Honorary Fellowship status by the EAUC. The Board welcomed this achievement and asked that their congratulations be passed on to Rica.
24. At the end of April Angela Cahill left the Collaborative Contracting team after 6 years. David Benstead joined APUC early April to replace her after working in the College sector (as the Procurement lead for many years at West College Scotland) and briefly at the SLC.
25. 3 to 4 new roles are being recruited for flexible procurement support.

## Health and Safety

26. There have been no reportable Health and Safety accidents or incidents in the last quarter.

## Operational Procurement

27. The Buyers Guide has been refreshed and updated and a template has been created to undertake a call off from framework agreements.

## Responsible Procurement

28. Rica Bieke is now on maternity leave and Steve Connor and Amy Ledger are providing the Responsible Procurement service which includes, from today, a new support service for institutions.

## eSolutions

29. Feedback on new Scope 3 Emissions Reporting has displayed extremely high levels of satisfaction with this functionality, and we will review any feedback for improving reporting for the 20/21 AY.
30. A major upgrade to PECOS is currently under test.

## Development

31. A training session for the sector on VAT and Brexit with the Tax Specialist from BUFDG has been arranged for 20 May.
32. The proposed Emerging Leaders Development Programme, as discussed at the last Board meeting, has been well received by the procurement community. It is expected to commence in Q4/2021, with development occurring in partnership with the sector from May to August 2021.

## Collaborative Catalyst

33. The Collaboration Catalyst has now ended after very successfully delivering on its brief. Norice Bain is now employed by HEFESTIS. The Circular Economy IT Project is being led by APUC.

## Feedback on Summary Report

34. VS noted that the percentages of collaborative spend on page 1 added up to 106%. AW advised that the percentages refer to collaborative spend as a percentage of the total in each scenario.
35. PM noted the amount of work done by APUC for institutions and asked how we articulate in terms of the significant value for money provided.
36. In that regard, the Chair commented that APUC generates huge savings for institutions and that it was important that this was more widely known.

37. AW suggested that some of the budget savings due to COVID could be used for future developments. AW noted that APUC had reduced its budget for 2021/22 as it was felt important that the company could demonstrate that it is “sharing the pain” on the current funding impacts being suffered by the client community.
38. He added that specific resources are often not readily available and need to be home-grown. Web enablement of Hunter would, for example, benefit from a higher number of expert resources, to enable it to be finished earlier. AW suggested that a ‘return on potential new investment’ discussion might be useful at the planned Strategy workshop in August.
39. JT suggested that a brief, concise, summary publication might be good to increase awareness of APUC among Senior Stakeholders and PS added that a single page Board-level report highlighting the benefits provided by APUC would be useful twice a year (The Annual Report had recently been revised to partially provide for this but was probably too detailed). **(Action: AW to draft up a circa two-page information flyer for senior stakeholders).**
40. AW suggested that income from any commercial sources should ideally be limited to 15% of turnover so as not to jeopardise our status (mutual, shared service and VAT). He added however that other business models could possibly be considered to overcome this if required.
41. Chair thanked AW for the summary report.

#### **Financial Management Report: APUC/07/2021**

42. Due to a technical problem with internet connection, Elizabeth McFarlane (EM) could not join the meeting to present her finance report and it was summarised in her absence by AW.
43. AW noted that APUC is operating as leanly as possible and taking advantage of the expenditure saving resulting from COVID working, leading to the projected surplus as noted in the report.
44. AW referred to the Board agreement whereby £100k had been reserved to aid the set up of new shared initiatives that could bring savings and wider positive impacts associated with the Circular ICT project that was currently under development. He noted that implementation had been delayed due to COVID but recommended that the Board defer that ring-fenced sum to the coming academic year if necessary. The Board approved this approach.
45. The Chair noted that Finances were in good shape and noted his thanks to EM for the comprehensive report on the position.

#### **Coronavirus and Brexit Update**

46. AW informed the Board that the Brexit Consultation Group run by the Scottish Government is now meeting ‘as required’ and not fortnightly as before.
47. He advised that in terms of supply chain issues, laptop supply presents the main challenge due to levels of demand associated with increased home working. This was likely to continue to be the case until 2022 due to further expected surges in demand as companies put in place new post-COVID ways of working and purchase more laptops for staff hybrid working. There have also been significant impacts caused by factories shutting down due to COVID.
48. AW informed the Board that APUC itself is not currently buying laptops, but rather it is upgrading the current stock to prolong its useful life.

## APUC Strategy Status Update (APUC/08/2021)

49. AW presented the updated Strategy document. Members noted that APUC has not progressed any move into blockchain as there remain fundamental technical and climate impact issues associated with it. APUC would however continue to monitor the development of the technology.
50. AW noted that all objectives were progressing well to plan.
51. PM noted that one of the column headings stated the document status is reported as of August 2020 and AW agreed to amend it to May 2021. **(ACTION: AW)**
52. DB noted that eLearning modules had not been changed for some time and wondered whether there were any updates or new ones coming on stream. AW advised that there are currently 8 modules available on the Procurement process, but there had been additional modules developed and in place on the use of various eSolution tools.
53. The Board noted that the status update was very positive.

## New APUC Strategy

54. JT suggested that it would be good to get an early discussion document with suggested key themes in advance of the planned New Strategy Workshop in August. AW advised that he intended to draft this in July and share it with the Board by the end of that month. **(ACTION: AW)**
55. AW informed the Board that the Scottish Government has appointed a consultant to conduct a review of Public Procurement given it was now 15 years since the McClelland Report was published. The review is due to be published on 24 May. AW would keep the Board updated on this.

## Risk Register

56. AW explained the updates to the Risk Register as follows:
  - C2: **Business Continuity due to loss of key staff** -There are now 2 staff members in Finance.
  - C3: **Business Continuity due to loss office premises** – Staff currently working from home and a review for returning to offices is due in June 2021.
  - C6: **Due to significant cuts expected across sectors (particularly universities), institutions may reduce IPS staff numbers from APUC** – Procurement resources across the sector have actually seen a net increase since the beginning of the COVID crisis as institutions seek increased savings.

OP1: **Impact of No-Deal Brexit on APUC** - Action plans as appropriate were put in place for all Medium / High risk frameworks based on supplier information and the situation will be monitored throughout 2021.  
Training courses are being provided by APUC for the sector on the "Impacts of Brexit", "VAT and Brexit" and "Introduction to International Trade" to assist staff to understand the impacts of Brexit.  
The risk level has therefore been revised down.

OP7: **Disruption to business continuity of Suppliers due to political impacts (Brexit) or pandemic** - New SCM tool functionality was implemented to assist with recording information from contract management meetings and other relevant dialogue.  
Risk level revised.

OP11: **Low levels awareness of Sustainability across the business** - New approach to supporting Responsible Procurement implemented. New service to institutions to be launched mid-May 2021.

57. MM wondered whether OP1 should be focussed on the present time and not 2016 as listed in the register. AW explained that as the Brexit deal had only very recently been formally ratified (after the latest Risk Register update) it would now be appropriate to remove this risk from the register entirely. **(ACTION: MC)**
58. PM suggested that a full review of the risk register could be conducted at the Board meeting the day after the Strategy Workshop in August. **(ACTION: AW/MC)**
59. JT suggested that it would be helpful to be able to see 'at a glance' if residual risk levels were improving or not and the Chair suggested that a cover summary page, highlighting areas of concern and the direction of travel, could be useful. It was also suggested that a column could be included to show the previous criticality score next to the current one. **(ACTION: AW)**

### **Any Other Business**

60. AW advised that the Data Sharing Agreement with institutions had been updated and will now require to be signed by Principals. This will be issued across the sector in the coming weeks.
61. AW noted that Martin Fairbairn had retired from the Scottish Funding Council and that his replacement was Lorna MacDonald. She has advised she does not need to attend Board meeting or see the associated papers, but an update process has been agreed between her and AW.
62. It was agreed that a formal letter of thanks should be sent to Martin and a lunch arranged when convenient. **(ACTION: Chair, AW)**
63. There being no further business, the meeting closed at 15:10.

### **Date of Next Meeting**

64. The next Board meeting is planned to be a physical one and will be held on Tuesday 17 August 2021 with a Strategy Workshop on the previous day.

