

## **Minute of APUC Board Meeting held at 13:00 on Thursday 18 August 2022 online via MS Teams.**

### **Present**

Jim McGeorge (Chair)	University of Dundee
Lee Hamill (LH)	University of Edinburgh
Pete Smith (PS)	Borders College
Janet Thomson (JT)	Glasgow Clyde College
Margaret Cook (MC)	Perth College UHI
Phil McNaul (PM)	Independent
Gemma Lines (GL)	Independent
Angus Warren (AW)	APUC Ltd (Chief Executive)

### **Apologies**

Veronica Strachan (VS)	Robert Gordon University
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### **In attendance**

Michael Caithness (Sec)	APUC Ltd
Julia Edgar (JE)	APUC Ltd
Dawn Mitchell (DM)	APUC Ltd

### **Welcome**

1. The Chair thanked everyone for attending and welcomed LH to his first Board meeting. He congratulated PS on his new appointment as Principal of Borders College. Chair also expressed thanks on behalf of the Board to Maureen McCreath, who stepped down from the Board at the end of July, for her contribution over her term of office. Chair advised that Dawn Mitchell would be joining for agenda item 5 to deliver the Financial Management Report and that Julia Edgar would be joining for item 6 to present her workstream update.

### **Minute of Previous Board Meeting**

2. The minute of the 19 May 2022 Board meeting was approved as an accurate record of the meeting.

### **Matters Arising: APUC/10/2022**

3. All Matters Arising from the previous Board meeting had been actioned or scheduled as outlined in paper.
4. AW advised that a lot of information had changed regarding item 28 on the energy market situation and that Board members (or colleagues within institutions) should contact Andy Anderson if they required any input in setting plans / budgets in this area.

## **Summary Report: APUC/11/2022**

5. AW presented the highlights from the Summary Report in a slightly updated format as follows:

### *Highlights*

6. The Procurement Networking Conference (PNC) at Dunblane Hydro was very successful and well attended with over 90 people staying overnight and over 130 on the day. The PNC will be back at the Stirling Court Hotel (University of Stirling) in 2023.
7. A few thousand laptops, at specifications agreed with HEIDS and SCIL, have been secured from HP and are available for immediate delivery as required to APUC members.

### *Staffing*

8. Andrew Foulner has left his role employed by APUC at Edinburgh Napier University as he has been appointed the new Head of Procurement at Heriot-Watt University. Kate Murray has been appointed as his replacement at Edinburgh Napier University. Kate is also on the Trustees Board of Electronics Watch, representing UK HE/FE institutions. Andy Oughton has been appointed as Head of Procurement at Queen Margaret University as Kate's replacement.
9. Elizabeth McFarlane has retired from her role as Finance Manager and is now on a 'zero hours' contract to provide support as and when required. DM has been appointed Head of Finance and Jeanette Reid has been appointed as the new Financial Accounting Manager.

### *General*

10. APUC is continuing with its hybrid working model of a minimum number of days per week in the office, but several institutions have staff back on site for longer than this, such as 4 days. APUC is investigating the best flexible solution going forward and GL has provided a useful contact for potential future development activity.

### *Health and Safety*

11. There were no reported Health and Safety accidents or incidents in the last quarter.

### *Operational Procurement*

12. There are 190 framework agreements available to the sector and no other significant changes to report at this time.
13. The next in-person PSG meetings and the follow-on Procurement Development Workshop has been moved from November to February 2023 to avoid a clash with another event and to allow for more information to be received on the new rUK procurement legislation. There will now be virtual or hybrid PSG meetings in November, a week earlier than originally scheduled.

### *Institutional Procurement Services (IPS)*

14. Recruitment has been affected by factors including the shadow cast by the COVID19 pandemic and Brexit, with Brexit in particular presenting major challenges in this area. Wage inflation and much higher levels of competition for talent have also proven to be a significant factor in all

recruitment activity this period. The increased use of remote and more flexible resources is being investigated.

### *Policy Process and Compliance*

15. Modern Slavery regulations are being extended to apply to public bodies. AW noted that the University and College sectors already have to comply (if the institutions have a turnover over £36m) as they are deemed to be “commercial in nature”. APUC voluntarily complies with the legislation, and an updated Modern Slavery Statement is on this agenda for approval by the Board.

### *eSolutions*

16. Development of the new web version of Hunter is progressing well and it was demonstrated at the PNC in May, where it received very good feedback. Work has continued at pace with some of the more complicated functionality now coming close to completion. Elements of the current Hunter are being ‘futureproofed’ to allow for delivery of some further developments. This new web version brings together Hunter, Contract Uptake, SCM and Spend analysis functionality into a single web-based solution.

### *Development*

17. The Procurement Skills training development programme for 2022/23 is almost complete and details of the schedule will be published soon.

### *Events Update*

18. Procurex Scotland, in its traditional format of a physical conference in the Scottish Events Campus (was SECC), Glasgow, is scheduled to be held on 27 October 2022.
19. The next Procurement Network Conference will take place on 19 May 2023 at the Stirling Court Hotel, with PSG and Board meetings, followed by a networking dinner, the day before.
20. Chair invited any comments on the Summary Report.
21. PM asked what percentage of the total number of suppliers had completed SCM Section 1 to date and AW advised that it was approximately 30% so far.
22. PM also asked if the service provided by EcoVadis was free to institutions and AW confirmed that it was as APUC pays for the membership for all their full members. He added that EcoVadis was only used to assess the generally larger, high-risk companies.
23. Chair asked whether in the event recruitment of suitable workers continued to prove difficult, there a plan B. AW suggested the following approaches:
  - Investigate more flexible solutions and approaches that people might value as part of the total employment package more than just pay.
  - Increase the number of recruitment agencies that we use including within the EU.

- Set up small hubs of remote workers in an EU country (as the EU procurement rules will still apply in Scotland ongoing).

## Financial Management Report (APUC/12/2022)

24. DM presented the highlights of the Financial Management report as follows:

- Income to end of June was £688k higher than budget due mainly to the £811k CO<sub>2</sub> monitor grant from SG, deferred income of £289k and shared service secondments of £158k.
- Expenditure was £488k higher than budget due mainly to the £811k for CO<sub>2</sub> monitors and £123k for shared service salaries.
- Forecast income is expected to be £692k higher than budget.
- Forecast expenditure is expected to be £586k higher than budget.
- Recruitment is the only real time increase against budget.
- The balance sheet is healthy at year-end showing an increase in reserves of £106k based on the data at the end of June, but with members noting that some large budget items would likely be released towards year end as some budgets, such as Legal have to remain available in full until the end of the academic year.
- Finance is currently working on the year-end accounts for auditing.

25. PM asked about the concept of Circular ICT and AW explained that it was a potential service that may be set up jointly by APUC and HEFESTIS to upgrade IT equipment to extend its useful working life. He added that a workshop in the Spring had failed to get enough institutions to commit to make it viable at that point, but it would be reviewed after there had been sufficient time for the University and College Sectors' Supply Chain Climate and Ecological Emergency Strategy to be embedded. The use of the funding for this joint approach had been approved by the SFC.

26. PM noted the extensive use of acronyms in Board papers, and it was agreed that the current 'acronym buster' on the website would be shared with the Board. It was suggested that acronyms could be expanded in full on their first use in any paper (e.g. Scottish Funding Council, SFC) (**ACTION: Sec**)

27. Chair thanked DM for her clear summary and, there being no further questions, DM left the meeting.

## Workstream Update – HR, Development and Comms

28. JE joined the meeting to present her workstream update using PowerPoint slides as follows:

- Slide 1 – Organisation chart for HR, Development and Business Support with explanation of how the workstream has developed and staff's roles.

- Slide 2 – Headcount by gender and age.
  - Slide 3 – Equality Statistics with ethnic background (based on a recent staff feedback survey).
  - Slide 4 – Headcount / Length of service as a percentage of headcount.
  - Slide 5 – Sickness absence reasons for 2021-2022
  - Slide 6 – Sickness absence trends showing notable improvements since 2019-20
29. PS noted that lost time due to mental health was lower than industry average for pre-pandemic and asked how we would compare with current industry figures. JE advised that some of the data does not exist yet for industry equivalents and that more information will be available next year to enable benchmarking.
30. MC noted that institutions are also reporting reduced sickness and that employers have an obligation to collectively understand how many staff are working at home when they are ill rather being fully fit for work. We need to look at how we can support them.
- Slide 7 – Employee turnover in the past 5 years is fairly flat excluding one year where several shared service staff moved to work for their host client institutions.
  - Slide 8 – Pulse survey feedback 1. Job satisfaction is good at 3.8/5.0 and the wellbeing approach is generally well received by staff.
  - Slide 9 - Pulse survey feedback 2. Staff felt that opportunities for development were generally good.
  - Slide 10 – Workstream Development recent, current and future priorities.
  - Slide 11 – Sector Development recent, current and future priorities.
  - Slide 12 – Business Support and Comms recent, current and future priorities.
31. Chair invited questions from the Board.
32. MC thanked JE and team for their huge amount of excellent work.
33. Chair added that the transformation since JE came in was impressive and asked if the workload associated with her forward plan was achievable. JE noted that she was aware of the challenges and that further improvements can be achieved, but that she was careful to prioritise and review achievability and timescales on a regular basis.
34. PS asked if HEFESTIS support was provided at cost and AW confirmed that the charging structure is the same as for delivery of other shared services.
35. Chair thanked JE for her presentation and asked for the Board's thanks to be passed to the team. JE left the meeting at this point.

### **Equality Statistics Update (APUC/13/2022)**

- 36. AW presented the paper and noted that the statistics have been gathered for some time now and cover gender equality and ethnicity. AW highlighted some key stats and trends from the document and the Board discussed the aspects noted.
- 37. The Board noted that the company's approach / outcomes to / around equality and diversity were in line with positive expectations and the Board's commitment to this agenda and thanked AW for the update.

### **Climate Project Office Development Update (APUC/14/2022)**

- 38. AW introduced the paper and explained that it was a pre-sharing draft for feedback and based on previous discussions arising from the development of the new APUC strategy.
- 39. He explained that flexible / tailored shared services have a strong record of success across Scottish Universities and Colleges as they can meet the needs of different sized organisations with varying campuses and cultures. He added that common climate project office methodologies can be put in place so bringing significant efficiencies, designing these processes, and obtaining relevant tools once rather than multiple times. The service could be delivered using a lean operating model and an "exact reimbursement" basis with no VAT impacts.
- 40. He added that a UCSS Climate Project Office, as part of the APUC Group, could operate seamlessly in collaboration with the APUC Responsible Procurement Team that already has a strong focus on addressing climate change and other ethical issues in the sector's supply chain.
- 41. The document outlined the Scope of work that the shared service could typically include.
- 42. AW noted that responsibility for Sustainability / Climate does not sit in any consistent particular area across all institutions. He also noted that the proposed costs were accurate based on the proposed staffing assumptions and invited questions from the Board.
- 43. MC suggested that the college principals' group would be interested and would be a good target as the scale of many Colleges make it difficult for them to resource this agenda.
- 44. PM thought it was a good paper and noted that Cost Sharing Group VAT position would be helpful and likely to prove attractive.
- 45. He added that it would be useful to model how many institutions to target for starting up the service and this would provide a guide to staffing requirements.
- 46. PM suggested that 2030 targets (and similar challenging targets) by members for net-zero (for what? net zero?) will not be achievable if we do not start now.
- 47. He added that it might be useful if assessments similar to PCIP could be conducted to gather information. AW advised that this was envisaged under a separate Centre of Expertise style

approach that was being discussed with EAUC. PS noted that EAUC have a similar service and agreed it would be good to avoid unnecessary competition or duplication of work effort.

48. JT stressed that it was good to get plans in place, but action was urgently needed now, and Chair agreed that commitment is key.
49. It was agreed that the proposal should be updated to reflect inputs. Sector members of the Board advised they would be happy to share the updated / final document with their sector professional groups (**ACTION: AW & Sector Board Members**)

### **APUC New Ways of Working Update**

50. AW gave a brief update on APUC ways of working developments as follows:

- Staff discussion item on the agenda for the (all APUC Group staff) Open Forum on 24 August.
- Some institutions are generally increasing days required on site, some now require 3 – 4 days per week on campus, although some still do not have non-academic staff on site yet.
- Students are also not fully on campus yet, but a high level of return is expected from September.
- We will continue to gauge what the trends are over term 1 and review again in December.

### **APUC Modern Slavery Statement**

51. AW noted that this document was for Board approval prior to uploading to the website.
52. AW explained that, under law, APUC does not have to provide this document but does it as a matter of good practice.
53. PM asked what MSC-P and PPG on the governance chart mean and AW explained that they are Ministerial Strategic Group-Procurement and Public Procurement Group respectively. It was agreed that they should be expanded on the chart. (**ACTION: Sec**)
54. Thereafter the Board approved of the document and confirmed its wish to continue to maintain such a statement despite not being required to by law.

### **Any Other Business**

55. The Board discussed the planned cost of living adjustment and confirmed their support for the approach discussed.

56. There being no further business, the meeting closed at 14:48.

**Date of Next Meeting**

- 19 October – Audit Committee (Audit Committee Members only) and UCSS Board – Chiene + Tait, Edinburgh
- 16 November – Board, location tbc (likely Edinburgh)

A handwritten signature in blue ink, appearing to be 'D. M. G. G.', is located to the right of the meeting dates.