

**Minute of APUC Board Meeting held at 9 a.m. on Thursday 17 February 2022 online via MS Teams.**

**Present**

Jim McGeorge (Chair)	University of Dundee
Veronica Strachan (VS)	Robert Gordon University
Pete Smith (PS)	North East Scotland College
Maureen McCreath (MM)	Independent
Phil McNaull (PM)	Independent (& University of Aberdeen Interim, acting as SUFDG rep)
Angus Warren (AW)	APUC Ltd (Chief Executive)

**In attendance**

Michael Caithness (Sec)	APUC Ltd
Dawn Mitchell (DM)	APUC Ltd

**Welcome**

1. The Chair thanked everyone for attending and noted that apologies had been received from Margaret Cook and Elizabeth McFarlane. The Secretary advised that Janet Thomson had tentatively accepted but had an important College meeting and might not be able to attend. Chair also advised that Dawn Mitchell would be joining for agenda item 5 to deliver the Financial Management Report.

**Minute of Previous Board Meeting**

2. The minute of the 17 November 2021 Board meeting was approved as an accurate record of the meeting.

**Matters Arising: APUC/01/2022**

3. All Matters Arising from the previous Board meeting had been actioned or scheduled as outlined in paper APUC/01/2022.

**Summary Report: APUC/02/2022**

4. AW presented the highlights from the Summary Report as follows:

*General*

5. Collaborative spend is still being impacted by COVID (in particular Catering, Travel and Facilities), and the situation is expected to continue. It is, however, in line with expectations so is not too concerning at this stage and savings are still being achieved for the sectors.
6. National Frameworks for Energy are still running, and pricing for up to 90% of sector requirements is 'locked down' until April 2023, giving a high degree of protection to the sector until then.

7. PM commented that this was a massive advantage and worthy of highlighting to Principals, Finance Directors and other senior leaders. AW advised that verbal updates had been issued.
8. VS suggested that it could also be mentioned at the Universities Secretaries event that day and asked AW to provide some background wording after the meeting. **(ACTION: AW)**
9. The Board noted that Estates Directors were aware of the issue and AW advised that we are looking at the market beyond the current agreement, with the hope that the current situation would have settled by then.
10. AW advised a guidance paper for Finance Directors was hoped to be received from the Scottish Government by the end of February and would be forwarded on as soon as received. **(ACTION: AW)**
11. MM commented that it was good to still be achieving savings, but cautioned that some businesses might be failing due to rising costs. AW advised that the situation was being considered and approaches developed taking all such factors into consideration.
12. AW advised that the next round of PCIPs was being planned for an April start using the new model and added that institutions will be offered assistance in preparing for the new questions if required. The formal assessments will start in October and conclude with the smallest institutions by Summer 2023. The new approach has been agreed across the sectors.
13. AW informed the Board that the last Procurement Networking Conference (PNC) had been a success and well attended by over 100 delegates on the day. He added that this year the PNC will be held at the Dunblane Hydro on 20 May.
14. AW advised that the current chip shortage affecting electronic goods is expected to continue until 2023 but noted that HP has agreed to hold a stock of 7,000 laptops to be available to institutions at no risk to the sector. APUC was working with HEIDS and SCIL to agree standard specifications. The Board welcomed the proactive approach taken by APUC.

### *Staffing*

15. AW advised that recruitment was still progressing but was impacted by Brexit. He added that three of the current graduate trainees would complete their training at the end of May and that the recruitment process for the next round of trainees would begin soon.
16. AW advised that Victoria Kulczycki, originally a APUC trainee from the second intake had recently been appointed as Director of Procurement at the University of Edinburgh and that there were three other APUC staff appointed as Heads of Procurement or equivalent grade within the sector. The Board was delighted to hear of the career successes of previous trainees and congratulated AW on their achievements, which were a great credit to APUC and the programme.

### *Health and Safety*

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

### *Operational Procurement*

18. AW reported that there are 188 framework agreements available to the sector.

19. AW informed the Board that the Contracting Priorities Workshop took place online on 16 February and was well attended. Procurement Strategy Groups were meeting on the same day as the Board and an update would be provided at the next meeting.

#### *Responsible Procurement (RP)*

20. AW advised that FNT2030 Category Plans were under consultation with stakeholders and that the final agreed plans could be used as a basis for institutions to develop their own custom versions. Target for completion is the end of March.
21. AW added that the Ecovadis service has been strongly welcomed across APUC member institutions, who all have the same access to the service as APUC, with many becoming early adopters of the service. Suppliers are being prioritised based on RP risk.

#### *eSolutions*

22. AW advised that work continues on the development of the new Hunter web version, which brings together Hunter, Contract Uptake, SCM and Spend analysis functionality into a single solution. The basic version is on schedule for testing in March and will be fully released later in the year.

#### **Financial Management Report (APUC/03/2022)**

23. DM presented the highlights of the Financial Management report as follows:
  - Actual income was £70k lower than budget due to deferred income, shared service secondments and eSolutions income.
  - Actual expenditure was £225k less than budget due to office expenses, conference and courses, travel and property costs.
  - The forecast balance sheet shows an increase in reserves of £40k with debtors down by £19k and creditors down by £224k
24. Chair thanked DM for her clear summary and, there being no questions, DM left the meeting.

#### **Brexit and COVID update**

25. AW advised that the Scottish Government has shared proposals for a potentially new approach to medical related PPE management. This was under dialogue with the sector's procurement community.
26. AW added that there were new rules arising from Brexit coming mid-year that might affect the sector and that APUC would be organising training if required.

#### **Funding Consultation Process update**

27. AW advised that the funding process was at the final stage and would be shared with sector principals shortly. The position agreed was to have a firm funding proposal for the current year, with the funding being provisional for the following year.
28. He added that the Funding Council had an advance copy.

## Strategy Sphere 6 Development opportunities

29. This item was planned as the main item on today's agenda. AW took the Board through the circulated paper and indicated how the CSG requirements impacted on financial modelling.
30. After in-depth discussion by the Board, due to impacts around timing and the pressures faced by the sector around dealing with Covid etc, and the fact that several Directors had not been able to make the meeting, it was agreed that long term decisions around structural options would not be made at this meeting and that this may be best considered around November 2022 when the 'new-normal' arrangements around the sector were better understood and the 2022/23 AY was underway.
31. The Board however were happy for APUC to continue to explore opportunities that could be managed within the existing structure where there was clear sector demand. Climate Change expertise was noted as appearing to be the highest priority area. AW advised he would explore interest in this with relevant sector stakeholders. **(ACTION: AW)**

## Climate Emergency update

32. AW advised that the sector Supply Chain Climate Strategy has been endorsed by the CDN Climate Emergency Experts Group and had been reviewed by the US Efficiency & Climate Emergency Committee where it had been strongly supported. There was a communications issue within SAUDE which was in the process of being resolved to enable the approval process to be completed.

## Any Other Business

33. There being no further business, the meeting closed at 10:45.

## Date of Next Meeting

- 19 May – RemCom (RemCom members only) – APUC HQ Stirling
- 19 May – Board – APUC HQ Stirling
- 20 May – AGM & Procurement Network Conference (PNC) – Dunblane Hydro
- 18 August – Board - Virtual
- 19 October – Audit Committee (Audit Committee Members only) – Edinburgh tbc
- 16 November – Board, location tbc

