

**Minute of APUC Board Meeting held at 9:30 on Thursday 15 May 2025 at Glasgow Caledonian University and online via MS Teams.**

**Present**

Veronica Strachan (Chair)	Robert Gordon University
Andy Goor (AG)	University of St Andrews
Pete Smith (PS)	Borders College
Angus Warren (AW)	APUC Ltd (Chief Executive)
Phil McNaul (PM)	Independent
Gemma Lines (GL)	Independent
Harpreet Paul (HP)	Independent

**Apologies**

Apology received from Nicky Anderson.

**Also, in attendance**

Michael Caithness (Sec)	APUC Ltd
Dawn Mitchell (DM)	APUC Ltd – up to agenda item 4

**Welcome**

1. The Chair thanked everyone for attending and noted that Dawn was attending to present her Finance report and that agenda item 4 and 5 had been swapped to allow her to leave the meeting earlier. She also noted that Margaret Cook was stepping down from the Board with effect from that date and expressed the Board's sincere thanks for her valued contribution during her term as a director.

**Minute of Previous Board Meeting**

2. The minute of the 13 February 2025 Board meeting was approved as an accurate record of the meeting and for uploading to the website. (**ACTION: Sec**)

**Matters Arising (APUC/04/2025)**

3. All Matters Arising from the previous Board meeting had been actioned as outlined in paper APUC/04/2025.

**Financial Management Report (APUC/06/2025)**

4. DM gave an overview of the Management Accounts to 31 March 2025 as follows:
  - We are now over halfway through the financial year, and the results to the end of March 25 are positive.

*Annex A*

- Actual income is lower than budget, as deferred funds released to cover costs, have been less than expected. Other income is higher than budget to the end of March, mainly due to an increase in bank interest received as rates improved, and we have deposited more funds into our higher interest notice account.

- Actual expenditure to March has fallen compared to budget, by c£140k, mainly due to permanent savings in eSolutions costs of £34k. Also, under budget to date, are conference and course fees, salaries, and office expenses. However, these are mostly timing differences and are expected to be closer to budget by the end of the year.
- The forecasted outturn for this year is a surplus of c£2k, which is close to the original breakeven position we budgeted.
- There are movements expected within certain areas, mainly a reduction in deferred income released. These amounts remain deferred.
- Shared service income is expected to rise, and we therefore forecast a related increase in shared service salaries.
- Overall staff costs are expected to be c£16k below budget by the end of the year. As the impact of national insurance rises from April is mitigated by savings in core team salaries, as some staff members have reduced their working hours, and a number of vacancies were advertised for a period, before new appointments commenced.
- Underspends are also forecast for eSolutions strategic development costs, and travel expenses.
- We expect to incur additional costs in Professional fees due to a supplier initiating a legal process and Recruitment costs due to staff turnover. Conference costs will rise as the PNC was not budgeted for but will take place next week.

#### *Annex C*

- We are forecasting to have adequate cash and reserves at the year-end. Creditors are expected to reduce as we carry out projects throughout this year, for which we have previously deferred funding.
  - Looking ahead to next year, 25-26, The Scottish Funding Council has recently confirmed our funding will be the same as this year and last, capped again at c£2.4million. We will shortly carry out a re-budget for next year to ensure the books balance, and Angus will touch on this later in the meeting (staff COL rises).
  - We are in the process of moving finance systems and went live late yesterday with our new fully cloud based system, Sage intact. These board reports are the last set from Microsoft GP which is nearing its end of life for support.
5. Chair noted that the report was good and easy to understand for non-finance members.
  6. GL asked if there were any concerns and DM advised that the budget for next year was expected to be challenging but achievable with recent and planned changes, and that the new finance system was up and running.
  7. Chair said it was good that the new system was live and thanked DM for her report.

#### **Summary Report (APUC/05/2025)**

8. AW highlighted some aspects of the summary report as follows:

##### *Summary highlights*

- Responsible Supply Chain deep-dive assessment programme is going well with 282 deep-dive reports now received from EcoVadis.
- 177 Framework Agreements are available for use by stakeholders.

- 2023/24 AY, the percentage levels of collaborative spend as a proportion of total recurrent spend are 38.5% for the HE/FE combined collaborative spend. The UUK Efficiency & Transformation Report will be published at the end of May; this will examine the differing levels of collaborative spend across the home nations. It is currently circa 17%.

#### *Risk updates*

- A Tariffs Impact Review is under way to establish where risks exist based on the USA government actions and know on reciprocal tariffs, and to establish appropriate mitigations.

#### *General updates*

- The 2025 Contracting Priorities Workshop took place on 26 February via Teams. Attendance was high across the categories with a wide range of stakeholders.
- The second Steering Group meeting for the planned bespoke extensive construction procurement training programme has taken place. A survey has been agreed to define the detailed needs, the deadline for completion of this is now 30 May.
- A programme of upgrading APUC staff laptops to Windows 11 has commenced and will run over several months. 50% of laptops have been updated to date.

#### *Data Protection*

- APUC has had no reportable data protection breaches in the last reporting period.

#### *Health and Safety*

- There were no issues in the reporting period.

#### *Procurement and Commercial Improvement Programme (PCIP)*

- The 2023/24 PCIP and Pulse Check Programme has been completed along with Operational Procurement Reviews for small organisations. The format of assessment and timelines for potential future rounds of the PCIP are under review and due to be discussed at the next PCIP Board which is due to take place on 29 May.

PS asked if the Government had gone 'cold' on procurement and AW advised that its status on the government agenda had changed.

#### *Institutional Procurement Services (IPS)*

- APUC are currently providing procurement as a shared service to thirty of Scotland's Universities and Colleges, as well as the Scottish Funding Council.

9. Chair noted the detailed report was very helpful.
10. PS asked if there was a 'tipping point' as the service grows that might force a change in wider sectoral approach and AW advised that focussed working in the regions was showing value, and this could drive further change. AW noted that we also continue to reinforce functions where institutions have their own procurement staff.
11. PS asked if we could divide our efforts by clusters (Uni, Col, Art etc) and if there would be any benefit in this approach. GL added that the objective would be to offer a more refined service.

12. AW noted that some clustering occurs where we operate the institutional procurement services but that there was greater potential. It was agreed that AW would explore future clustering opportunities with the team and the client community and report back to the Board in due course (**Action: AW**).
13. PM asked if we have used AI for analysis and AW advised that we have not yet.
14. PM noted the innovative nature of our systems and asked if their value was being promoted. He added that it could potentially be a game changer to some organisations.
15. HP asked if anything was being done to highlight sustainability progress as a result of EcoVadis reporting and follow-up contract management activity. AW confirmed that with the approach being in use for over two years operationally, we should now be able to report on impacts and took an action accordingly (**ACTION: AW**).

### **APUC Corporate Strategy Status Report APUC/07/2025**

16. AW reported that the strategy to 2027 was on plan and that the new strategy would ideally be put in place in 2026 to ensure continuity. The Board agreed that it would be good to align a new strategy development workshop to the November Board meeting. (**Action: AW / MC to plan accordingly**).

### **Collaborative Opportunities Report APUC/08/2025**

17. AW presented the paper noting that it showed details of actual spend versus potential spend in a summary form against the framework supply sources. He noted that this was blunt data but that it may be useful for indicating potential scope.
18. PM suggested having the uptake levels as percentages could be helpful and also a column to state the total recurrent spend per institution. Chair suggested that it would be good for monitoring usage going forward and to measure progress. Chair suggested that this could be a good project for an MBA student, for them to analyse opportunity at a greater level of granularity. AW advised he could explore this taking into consideration the data sources available via eSolutions etc (**Action: AW**).
19. AG noted that collaborative spend reports are very useful but that there is sometimes a lack of awareness in the sector on various aspects of all the value that APUC can bring. AW confirmed that APUC would develop some senior stakeholder promotional material (**Action: AW**).
20. AW suggested that it would be useful to deliver update sessions at relevant professional groups in the sector such as Finance CDN & the Secretaries, with ideally such opportunities being facilitated via APUC Board members on these groups (**Action: AW / VS / PS**).

### **Risk Register Update APUC/09/2025**

21. AW present the Risk Register noting that the criticality of risk 24/3 had been increased due to the possible impact of tariffs.

### **Strategic Development Workshop**

22. AW introduced the discussion document for the Workshop explaining that the output from the following four horizon scanning events across three geographic scopes was used to establish potential needs and opportunities where APUC could have a role and / or where the sector could otherwise have shared service options moving forward:

- Scotland - Universities Scotland USECEC Workshop (March 2025)
- UK - Digital Universities UK Summit (April 2025)
- UK - Universities UK Efficiency & Transformation Summit (May 2025)
- Europe - European Universities Summit (May 2025)

- 24 AW noted that funding would be required to explore opportunities for any of the potential shared services listed and that developing proposals could take some time.
- 25 Based on the above horizon scanning and wider stakeholder consultation, a variety of areas had been included in the Board paper. After an initial discussion on some of these areas, it was agreed that Board members would provide prioritisation feedback to AW (0 to 5, 5 being highest) on the areas listed (and any others felt to be relevant) that could be explored if we are able to obtain some catalyst resources (**Action: Board**).
- 26 AW noted that a meeting was in the diary to discuss this and wider outcomes of the USECEC Workshop and UUK event for the following Monday with Universities Scotland.
- 27 Chair noted that the Board was content for AW to develop this further and work with other stakeholders including Universities Scotland / SFC etc to potentially establish resources to assist in enabling change (**ACTION: AW**).
- 28 AW shared the suggested approach to cost of living and merit-based adjustments with the Board, the Board agreed with the direction of travel suggested.
- 29 AW advised that PS had offered to host the November Board meeting and new strategy workshop in Galashiels. This offer was welcomed by the Board (**Action: AW / PS / MC**).
- 30 There being no further business, Chair closed the meeting at 11:26.

### **Date of Next Meeting**

The next Board meeting will be held on Thursday 27 November, location Borders College, Galashiels (with the new-strategy workshop either late afternoon the day before or on the same day – tbc. There would be a Board dinner the evening before in Galashiels.

*Veronica Al-Shachan*