

Minutes of APUC Board Meeting held at 10.30 a.m. on Friday 9 January 2009 at 14 New Mart Road, Edinburgh

Present

Nigel Paul	University of Edinburgh (Chair)
Pat Briggs	The Robert Gordon University
Steve Cannon	University of Aberdeen
Douglas MacKellar	Independent
Stuart Paterson	Independent
David Ross	Independent
Hugh Ross	APUC Ltd
Susan Walsh	Cardonald College
Alan Williamson	Jewel & Esk College

In attendance

Louise Burke	APUC Ltd
Rosalind McIntosh	APUC Ltd

Welcome

- 1 Nigel Paul opened the meeting and advised that he has been invited to sit on the Public Procurement Reform Board (PPRB) (the next meeting of which is being held on 19 January) and has also been appointed as a non-executive director of Procurement Scotland. As John Swinney, the Cabinet Secretary for Finance and Sustainable Growth, is Chair of the PPRB Nigel noted that it would be beneficial to send the Response to the Report on the Strategic Dialogue to the Minister ahead of that meeting.
- 2 He also reported that he has attended meetings with John McClelland and Martin Fairbairn of the Scottish Funding Council, Derek Watson, Quaestor and Factor of the University of St. Andrews, as well as Anton Muscatelli, Convenor of Universities Scotland. In addition, he has a meeting arranged with Sue Pinder, Secretary of the Principals' Convention. Nigel is using these various meetings to engage APUC's key stakeholders and positively influence perceptions of universities and colleges within the context of the Public Procurement Reform Programme (PPRP).

Minutes of Previous Board Meeting

- 3 The minutes of the 28 November 2008 Board meeting were approved as an accurate record of the meeting.

Matters Arising: APUC/01/2009

- 4 Steve Cannon has agreed to join Alan Williamson and Hugh Ross as members of the pay policy working group. Work will commence over the next two-three weeks and will continue over the following few months.
- 5 Comments on the Response to the Strategic Dialogue Report have been received from Universities Scotland, Scotland's Colleges, the Scottish Funding Council and Procurement Scotland. These have been incorporated into the draft Response.
- 6 Douglas MacKellar confirmed that the presentation on advanced procurement has been completed and will now be circulated to Board members. **Action:** Douglas MacKellar.
- 7 A refresh of the shared vision and strategy will be considered and developed by the Board in the light of the Strategic Dialogue. This will be taken forward by the newly-elected Board following the 2009 annual general meeting (AGM). The provisional date for the AGM was agreed as being 29 April 2009.
- 8 The current SFC guarantee of up to £500,000 to cover any potential buy-out debt for the Universities Superannuation Scheme (USS) expires on 31 July 2009. **Action:** Hugh Ross and Nigel Paul will contact the SFC regarding extending the guarantee for at least one year. It was noted that a minority of staff are members of the USS as most are on fixed-term contracts and therefore not eligible to join the scheme.
- 9 In APUC's Articles, Article 3 deals with subscription fees and will be deleted to remove obligations on institutions in the event of APUC being wound-up. The deletion will be effected by means of a written special resolution which will be sent to members during week commencing 12 January 2009. **Action:** Hugh Ross to communicate the proposed changes and timescales for response to members. To effect the deletion of Article 3, 75% of members must respond and of those, 75% must agree to the change.

- 10 Steve Cannon confirmed that he will continue to serve on the Board for the time being.
- 11 It was noted that Board nominations will be invited ahead of the AGM and agreed that ideally APUC's Board needs to have representation from Principals and Finance Directors.
- 12 A replacement Director from colleges was discussed at the Principals Forum on 8 December 2008. **Action:** Susan Walsh and Alan Williamson to report to the Board on how to take matters forward.
- 13 Subsequent to Gavin Macdonald resigning as Chair of the Board, a statement – approved by Gavin - was posted on APUC's website in December. At the same time, Hugh Ross issued 'lines to take' for staff regarding Gavin's departure.
- 14 After the Response to the Strategic Dialogue Report has been issued by APUC to John Swinney, Nigel Paul and Hugh will assess the reactions from the wider community, and if necessary, meetings will be arranged with Universities Scotland (US), Scotland's Colleges (SC) and the Scottish Government. **Action:** Nigel Paul.
- 15 In addition, Nigel Paul, David Ross, Stuart Paterson and Douglas MacKellar will arrange to meet with John McClelland in due course to assess progress on the issues highlighted in the Strategic Dialogue. **Action:** Nigel Paul.
- 16 The Chair has received a letter from the SFC indicating that it wishes to attend future Board meetings in an observer capacity. The Board agreed to this request. **Action:** Nigel Paul to write to the SFC welcoming the SFC's presence as an observer at future Board meetings.

Progress Report: APUC/02/2009

- 17 The Board was advised that there are a number of similar reports produced by APUC for the PPRB, the Procurement Reform Delivery Group (PRDG), an Assurance meeting with the SFC and Scottish Government, and the Board itself. Of these, the only group that stipulates a specific format is the PPRB. It was, therefore, proposed that a common format should be adopted for all reporting purposes to make the most efficient use of time and resources in compiling reports. The PRDG and the Assurance meeting have already agreed

to this. The Board was, therefore, invited to comment on the new reporting format and to decide if this type of report was acceptable to it also.

- 18 There was general agreement that the format is clear and that it helped to highlight the key issues that the Board was interested in. Specific comments on the new reporting format included: increasing institutional input to the report rather than having a purely APUC-focused perspective; linking the actions in the report to the Action Plan contained in the Response to the Strategic Dialogue Report; being diplomatic with the language used in the reports so that due regard is paid to institutional priorities and to the Government Reform Programme.
- 19 There was some discussion around the figures contained in the report and Hugh Ross confirmed that the figures are calculated using the PPRB's preferred methodology, which is consistent with other Centres of Expertise and that the risks noted in the report relate to those contained in the risk register.
- 20 The Board agreed to adopt the suggested reporting format and, as reports for the Assurance meeting are produced on a monthly basis, asked for monthly updates to be sent out to Directors. It was also suggested that the reports be shared with institutions' Principals, Finance Directors and Procurement Directors. This will be considered in discussions with sector representatives to test whether such groups would find it useful. **Action:** Nigel Paul/Hugh Ross
- 21 Hugh Ross updated the Board on the progress of the ePS programme, and mentioned that some institutions who were programmed to have ePS installed in 2009 had – for good reasons - deferred implementations until 2010. This means there is a potential backlog and it is uncertain as to whether all institutions will now benefit from the services of APUC's dedicated ePS team before it is wound-up at the end of September 2010. **Action:** Hugh Ross and Nigel Paul to highlight the emerging ePS problem to US and SC and communicate clearly the benefits of ePS, along with the potential problems for those institutions that are deferring ePS implementations. Hugh is awaiting a more detailed report on the situation before taking this forward.
- 22 Susan Walsh suggested that APUC should ask the SFC to run a workshop for Principals, Finance Directors and other key

stakeholders on the ePS topic. As it is time-critical, it was agreed that this should be arranged ahead of the AGM. **Action:** Hugh Ross and Nigel Paul to approach the SFC.

- 23 It was also agreed that the AGM should be used as a launch-point for the advanced procurement presentation and that a progress report on the actions that have been taken in response to the Action Plan contained in the Response to the Strategic Dialogue Report and ePS key messages could be added to this. The Board was advised that APUC's Operational Plan has been updated to incorporate the actions from the Action Plan. However, this makes the document overly large and some refinement will be required to condense the Operational Plan to focus on the key actions that must be achieved as priorities.
- 24 Hugh Ross explained that, although APUC's core team must be as lean as possible if it is to be funded by institutions in the future, much of the work that needs to be undertaken over the next year or two will be project-based and some additional, temporary, staff will be required. Colleges, in particular, simply do not have the expertise or the human resources to undertake developmental work to lay the foundations that need to be in place within institutions for APUC's core team to be reduced to an optimum level once "steady state" is achieved. For example, setting up systems to enable colleges to report Best Practice Indicators (BPIs) will require a short-term increase in APUC's resource to facilitate delivery.

Financial Management Report: APUC/03/2009

- 25 The Board was informed that APUC's budget is likely to be bang on target by the end of the financial year. The current report indicates some under-spend in the ePS workstream of £500,000; however some institutions have not yet submitted invoices for work already completed.

Response to the Strategic Dialogue Report and Cabinet Secretary's letter of 30 October 2008: APUC/04/2009

- 26 The Directors all agreed that the Response to the Strategic Dialogue Report is positive, sets the right tone, brings together a number of complicated issues and balances the needs of the Government and institutions. In addition, the Board commented that the methodology used has been inclusive and transparent. There was some debate as to

whether Annex B (Summary of Relevant Earlier Actions) is required. However, the importance of recording previous actions in an annex, both to acknowledge the effort that staff have already made and for the Cabinet Secretary to note what has been done to date, was accepted.

- 27 The final Response will be circulated to US and SC and sent to John Swinney by 19 January, as noted at paragraph 2.

Locations of future Board meetings

- 28 It was agreed that APUC's plans to hold subsequent Board meetings at different institutions should be announced at the AGM. These meetings will be preceded or followed by an open meeting with representatives from institutions in the locality e.g. Principals, Finance Directors, and procurement staff at which presentations will be given on advanced procurement, ePS and other key messages. The latter meetings will offer a forum for open discussion and enable institutions to tell the Board what they are expecting from APUC. It was agreed that this arrangement should start with the next Board meeting following the AGM. **Action:** Nigel Paul/Hugh Ross
- 29 It was recognised that it may be difficult to get people to attend these meetings. However, it was pointed out that the Government is seeking value for money and this should act as a good incentive for institutions to attend.

Any Other Business

- 30 The updated Annual Report was distributed for the Board's final review. **Action:** Board members to review and send comments or "sign off" to Hugh Ross.
- 31 The Chair outlined a proposal for an 'away day' during summer 2009, which would involve APUC's Board members, senior managers and one or two representatives from the Scottish Universities Heads of Procurement (SUHoP) network. The intention would be to discuss future priorities away from the day to day issues and invite input from John McClelland, Sue Pinder and Anton Muscatelli if they were available
- 32 The Board agreed that the away day is a good idea. It was also suggested that consideration should be given as to whether it was

worth setting up a larger event for Principals, Finance Directors etc or an event for all of APUC's staff. **Action:** Nigel Paul/Hugh Ross

- 33 With regard to membership it was noted that, for the first time, the majority of institutions are now members of APUC (32 of 62). Whilst recognising this landmark, the Board regarded it as essential for APUC to increase its membership to between 80% and 100% of Scotland's universities and colleges as soon as possible. A timetable of the actions that need to be taken to achieve this was handed out to Board members.
- 34 The Chair updated the Board on the progress of the appointment of APUC's permanent Chief Executive. A headhunting agency has been appointed and adverts will be issued online, in the press and in trade publications during the week commencing 12 January. The closing date for applications will be early February and long listing will commence immediately following.

Date of Next Meeting

- 35 It was agreed in principle that the next Board meeting will be held on 25 March 2009 and the second AGM on 29 April 2009.