

APUC's Strategic Vision, Q4 2009 – July 2012

Senior Management Two Page Briefing Document



Introduction

The APUC Strategic Vision provides clear strategic and operational direction for APUC from Q4 2009 to July 2012. It is shaped by recommendations from the Strategic Dialogue process as well as wide stakeholder consultation. It sets out how APUC aims to, by meeting and exceeding client expectations, respond to the challenges of procurement reform and explains how the services provided to universities and colleges will help embed good procurement practice, support legislative compliance, and also deliver significantly improved and sustainable value for money, which will assist institutions in managing spend effectively in the current and future increasingly challenging funding climate.

The Core Vision of APUC is to work jointly, as one team with client institutions, to maximise the contribution that advanced procurement makes to Scotland's investment in teaching, research and knowledge transfer such that institutions can deliver more with the funds that they have available.

The Mission is to work jointly, as one team with client institutions, to support the embedding and consistent application of good procurement practice within Scotland's universities and colleges, and to increase the sustainable value for money from institutions' procurement expenditure through the provision of advanced procurement services.

Exploiting Collaborative Procurement Opportunities

The university and college sectors, particularly in Scotland, have been at the forefront of procurement collaboration for many years. This collaboration to date has yielded significant savings for the sector each year, both before the formation of APUC and increasingly since its formation.

APUC's formation was timely for the sectors as it coincided with various changes to the EU procurement regulations, which have become significantly more bureaucratic and therefore resource intensive. There is consensus in the sectors that in the region of 12-30% (with occasional exceptions) of non-salary spend per institution (which equates to around 20% of total sector spend), is capable of being collaboratively procured.

Going forward, APUC will restructure itself to significantly increase the number of contracting categories that are collaboratively purchased. In the 2009/10 year alone, it aims to deliver more collaborative contracts than in all previous years of its existence (since 2007) combined. It will also make its resources available to the sectors' professional working groups as appropriate to assist them in moving their developments forward.

Client Expectations and Meeting Them – New Strategic Organisational Scope

The client institution community have had clear service expectations of APUC from the early days. Within this Strategic Vision, these expectations now form the core scope of the APUC's responsibilities. The key long term expectations of the client institution community can be summarised as set out below in bold. Following each is how APUC intends to meet each of these expectations, the Strategic Vision sets out the benefits that can be derived from each of these deliverables.

- 1. Maintain an overview of all collaborative procurement activity taking place in the sector:** APUC aims to construct (already under way) a database of all collaborative work taking place in the sector (not just that managed by APUC), this will not only provide the required overview which can be shared with relevant bodies (government etc) but also act as a contracting database for ongoing reference by client institutions.
- 2. Report this collaborative activity to relevant bodies including the Scottish Government:** APUC will modify its reporting strategy to government etc to encompass the wider collaborative activities taking place across the sectors.
- 3. Not simply to solely deliver tenders in its own right but to deliver tenders / framework agreements that include jointly working with all other relevant contracting bodies:** APUC will take on responsibility at various levels for involvement and delivery of collaborative procurement wherever doing so will bring value to our client institutions. This shall include tenders where our involvement will vary between leading, jointly delivering, facilitating or simply publishing collaborative contracting activities.

4. **Deliver tenders that save client institutions money but understand that the benefits of collaborative contracting are not just from delivering high value contracts:** APUC fully appreciates that significant benefits can be achieved through delivering low value (but on occasions high complexity) contracts commonly used across the sectors where the savings can come predominately from cost avoidance (without collaborative agreements many institutions would have to employ additional staff to deliver legally compliance contracts). Many of these lower value tenders are now being included in APUC's tendering strategy. APUC will however not lose sight of the key objective of purchase price management and will balance the delivery of both high value and low value tenders in a way that maximises overall benefit.
5. **Act as an ambassador for them and the sector generally in all matters related to procurement:** APUC will become a trusted ambassador for the college and university sector in Scotland. They will strive to ensure that government policies and initiatives, that are requested to be undertaken by the sector, are fit for purpose and take into consideration the particular varying challenges and needs of the many institutions across the country. APUC will also of course provide a key link and communication channel between the sectors and procurement related government bodies.
6. **Maintain a level of expertise that allows it to both deliver services based on best practice but also facilitate the implementation of best practice throughout the client community:** Best practice within the context of colleges and universities will come from an ongoing sharing of expertise across the professional procurement staff in the sectors, bearing in mind that significant expertise exists at institutional level in many cases. APUC has a clear role to be the catalyst and co-ordinator for this and to support practice improvement in institutions that strive to develop their capabilities in this area.
7. **Operate its resources in a flexible way to meet varying needs across its operation and where possible to be able to offer flexible resource support to client institutions:** Within the future model of APUC, resources dedicated to specific areas of responsibility will be geared to operate leanly with peaks being dealt with through a small amount of flexible resources. APUC will also explore the concept of providing temporary resourcing within institutions, especially where the needs of both organisations fits well with variable resource requirement profiles (e.g. sharing staff).
8. **Provide a flexible client account management service that will meet the varying needs of the different types of institution that APUC serves:** Roles within APUC will be developed that will be part procurement professional and part account manager – the make-up of the roles will vary depending on whether they are supporting colleges or universities and the type of procurement work they are undertaking.
9. **Provide ad hoc [>EU] tender support for smaller institutions where they do not have their own professional procurement resources:** The roles described above that will be focussed on colleges will have a remit to provide above EU threshold category C tender support (this will vary depending on resources in place locally) at institutional level – effectively on a shared service based model.
10. **Provide e-procurement support and representation on behalf of the college and university sectors:** APUC has included within its long term plans and will include within its funding bid for next year, the formation of a small support team that will support e-procurement in a broad sense. This will include support for ePS users but could also include support and strategic development around other e-tools such as e-sourcing solutions and sector based e-marketplaces.
11. **To run its operation cost effectively so that a clear return on investment can be demonstrated:** APUC will operate a lean organisation model that will over time move itself towards a size and shape that will be affordable to its client community and achieve the key return in investment sought.

This briefing aims to provide a summary of the key content within the full Strategic Vision (available from APUC's website www.apuc-scot.ac.uk). The main document itself is around 20 pages long so hopefully should not prove too onerous for those that wish to explore the content at a greater level of detail than this two page briefing can provide. Queries in relation to this briefing or the main Strategic Vision document can be directed to institution's [APUC Client Account Managers](#), or to the APUC Head office via Michael Caithness, the Office Services Manager on mcaithness@apuc-scot.ac.uk or Angus Warren, the Chief Executive on awarren@apuc-scot.ac.uk