

**Minute of APUC Board Meeting held at 10:00 on Thursday 27 November 2025 at Borders College.**

**Present (in person or via Teams)**

Veronica Strachan (Chair)	Robert Gordon University
Angus Warren (AW)	APUC Ltd (Chief Executive)
Pete Smith (PS)	Borders College
Phil McNaul (PM)	Independent
Harpreet Paul (HP)	Independent

**Apologies**

Apologies received from Gemma Lines, Andy Goor and Nicky Anderson.

**Also, in attendance**

Michael Caithness (Sec)	APUC Ltd
Julia Edgar (JE)	APUC Ltd
Dawn Mitchell (DM)	APUC Ltd – up to agenda item 7 (Teams)
Jeremy Chittleburgh (JC)	CT Audit Limited – up to agenda item 4 (Teams)

**Welcome**

1. The Chair thanked everyone for attending and PS for hosting the meetings. She noted that DM and JC were joining to present the Audit and Finance papers, and that JE would present her People and Operations workstream update.
2. Chair advised that Nicky Anderson would resign from the Board with effect from 28<sup>th</sup> November due to work pressures and thanked her for her contribution during her term in service.
3. The agenda running order was changed to have the People and Operations presentation after the Audit and Financial items so that JC could leave the meeting earlier than would have been the case.

**Declarations of Interests**

4. There were no declarations of conflicts of interest from those present.

**Minute of the Audit Committee Meeting held on 30 October 2025 (APUC/15/2025)**

5. PM, as chair of the Audit Committee, reported that the minute of the Audit Committee was accurate and covered all key points. On behalf of the Committee, he recommended that the accounts and LoR be approved by the Board for signing.
6. The accounts were duly approved by the Board.

**Audited Financial Statements 2024/25 (APUC/16/2025)**

7. It was noted that the Directors' responsibility for signing off the accounts is fully appreciated and acknowledged as part of their duties as a Board.

8. DM gave a summary of the key points in the financial statements as follows:
  - The accounts of APUC for the year to 31 July 25 result in a surplus of approximately £1.6k which is comparable to the prior year's underlying surplus of c£2k. We are no longer providing for pension as the USS scheme is now in surplus. We have achieved an effective break-even position in 2024-25, which was as expected from the management accounts throughout the year and the original budget.
  - Our income has risen, most notably from shared services, as we continue to grow.
  - We head into future years with £594k of planned deferred income, and our balance sheet is healthy with underlying reserves safely within the range set out in our Reserves Policy.
  - These Statutory Accounts have been externally audited by CT Audit Limited and were presented in more detail at the audit committee.
  - The audit went smoothly this year even though we had a new finance system and audit team. I would like to thank JC and the team at CT Audit Limited for their work on this.
9. It was noted that the Audit Committee had a good discussion and the outcomes were recorded in the minute of the meeting.
10. JC gave a brief overview of the Audit Summary Report. He noted that it was a good audit and that there were no issues identified and thanked DM and Jeanette Reid for their help in supporting the audit process.
11. The Board approved the financial statements, and the Chair thanked DM and team and the auditors for a successful audit. Financial Statements and LoR will be signed electronically after the meeting. **(ACTION: Chair/AW/JC/Sec)**
12. JC left the meeting at this point.

### **Risk Register (APUC/17/2025)**

13. AW presented the Risk Register noting the following points:
  - A new risk had been added to cover the lateness of new procurement regulations going into law. The risk is to UK wide collaboration on framework sharing as APUC might need to put frameworks in place to replace current English ones if collaboration broke down. The regulations are expected to be effective from late December, if this occurs the risk level will be reduced.
  - APUC frameworks are widely used across the rest of the UK.
  - The scoring for the cyber security risk was increased from 6 to 12. However, APUC does not have a corporate network which limits risk and Hunter is robust with effective backups in place. An update on cyber awareness training for staff is also planned at this year's annual away day in December.
14. It was noted that the detailed mitigation descriptions were helpful.
15. A suggestion was made to have a risk to cover loss of funding in future, it was agreed that this would be added. There was also a need to split the aspects of the risk between the core team and IPS. **(ACTION: AW)**

16. It was asked what the risk was to Hunter from clients using the system and it was clarified that clients have limited access to the workings of Hunter, but care would need to be taken when expanding the customer base as the impact of an interruption would have wider impacts.
17. The robustness of the business continuity plan was discussed, and it was explained that cyber-attacks are mostly through people errors and that the helpdesk / eSolutions keeps a record of identified issues / attacks. It was suggested that the continuity plan could be updated to include periodic testing exercises. **(ACTION: AW)**
18. It was also suggested that the risk register be moved to the end of the agenda in future to allow any outcomes from the meeting to be considered and that it should be updated to include the agreed changes above. **(ACTION: AW/Sec)**

### **Financial Management Report (APUC/18/2025)**

19. DM gave a summary of highlights from the paper as follows:
  - We are now into the new financial year and the results to the end of September 2025 are positive compared to budget.

#### Annex A

- It shows that our actual income is lower than budget to the end of September, by c£14k, mainly as shared service income has reduced due to vacancies.
- However actual expenditure to September is also down compared to budget, by c£19k, mainly as shared service salaries have decreased in line with the income related to these. Also positively varying are recruitment, travel and membership fee costs, although spends in these areas are expected to be closer to budget by the year-end.
- The forecasted outturn is a surplus of c£900, so there is not a lot of movement from budget expected at this stage, very early into the new financial year.

#### Annex C

- Shows we are forecasting a healthy balance sheet, with adequate cash and reserves at the year-end. However, creditors are expected to reduce as we carry out projects this year, for which we have previously deferred funding.
- It is worth pointing out there will be less deferred income available to buffer any shortfall in 2026-27 funding if we are only awarded flat cash again. We have been working on the first draft of next year's budget, and this will be updated for the outcomes from Board Strategy discussions yesterday.

20. The Board noted the content of the update and thanked DM for the report.

### **Workstream Update – People and Operations**

21. JE gave a PowerPoint presentation highlighting the following:
  - Overview agenda
    - People and Operation team members.
      - Four team members (3.3 FTE total).
      - Operations remit –facilities management, paying the bills, organising meetings/catering, travel and accommodation bookings, overseeing purchasing,

planning and organising company events – internal and external - and meetings such as our PSGs... also look after company communications – currently our weekly sector newsletter and represent APUC on the UK consortia communications group... and promoting the Framework Agreements better across the UK. Also coordinating website development project management.

- Sector learning and development activities.
  - Responsible for the planning, development and management of sector training programmes – which also covers people not employed by APUC. Procurement and commercial skills development programme – open courses which any procurement colleague across the sector can book onto at no specific cost.
- APUC people and development.
  - Our people – gender.
    - Headcount at 31 October was 90.
    - 62% female, 28% male.
  - Age and length of service.
    - Almost half the workforce has more than 5 years' service.
  - Leavers and turnover.
    - 23% turnover rate for the reporting period (this includes the TUPE of a team out of APUC, the figure would be much less excluding this). National average is 34%.
  - Lost Time % - Aug 24 – Oct 25.
    - Short-term absence has remained relatively steady – which has been the case for years.
  - Key challenges.
    - Staff retention – data shows those with shorter service move on quicker.
    - Recruitment is difficult – looking at other ways of reaching candidates
    - Long term absence – tends to be a very small number of people and most recently is medical operations based
    - Skills development - ability to equip people with the right skills, good management/leadership.
    - Developing culture - at a point now that we all agree we should identify company values.
  - Staff survey 2024 – Overall very high job satisfaction.
    - Average Job Satisfaction rating from this survey is 4.2, the previous pulse survey was 3.8.
  - Staff survey 2024 – Staff willing to recommend APUC as a place to work
    - Circa 99% of staff would recommend APUC as a good place to work to family and friends.
  - Management dev/leader workshops – 360° feedback was obtained in Summer 2025 for those in senior roles.
    - 1<sup>st</sup> phase complete – with feedback being invited from managers, peers, stakeholders (external), and team members (direct reports).
    - We plan to link it to the performance review and development process more formally as the process matures.
  - Succession planning process.

- This has been developed – development needs identified as part of this.
- Recent priorities – last 12 months.
  - Planning and commencement of Line Management and Leadership Development interventions.
  - New HR System implemented in Summer 2025.
  - Anti-Harassment and Bullying Policy review and launched Dec 24 with training provided by APUC team.
  - Succession Planning – development of company approach.
  - Recruitment challenges.
  - Management of HR cases including TUPE, conflict resolution, redundancy consultation.
  - Employee Wellbeing activities.
    - Training/awareness on neurodiversity.
    - Line Management training.
- What's next? Current priorities – next 12 months.
  - Line Management and Leadership Development – workshops, next round of 360°s.
  - Develop new HR System functionality – continued automation of processes.
  - Succession Planning further development.
  - Review and development of tools for managing performance – expanding the CPRD process and tools to include values and more focussed career planning.
  - Define Company Values – identify and embed.
  - Alignment of activity to future funding.

### ***Question/discussion arising from the presentation***

22. The Board would like to be notified when the new website is launched. **(ACTION: Sec)**
23. It was suggested that we encourage a shared service in 'Learning and Development'. The sector could also benefit with development of senior sector leaders. Institutions that are merging could benefit from this and thus raise everyone's level of expertise. The Colleges Development Network already has some offerings in this area, could this be expanded. This could be an area for supported development if we obtain the Sucseed project funding. **(ACTION: AW** – if Sucseed funding is confirmed)
24. A question was asked regarding the extent of sustainability in the training programs and it was confirmed that it is integrated in the content of relevant courses. The Responsible Procurement team also run awareness sessions for institutions and groups of institutions. An additional programme of responsible business awareness training has been run this year for members in partnership with Electronics Watch, covering non-electronics areas such as construction, furniture, food etc. APUC will work with Electronics Watch to explore how best to take this forward in future years.
25. It was asked if there were specific modules on sustainability in the proposed Construction Procurement Training programme – JE confirmed she would review the content with Rica to ensure it was adequately covered either embedded in other modules or separately covered. **(ACTION: JE)**

26. It was asked if junior staff members leave because they have not had promotion opportunities – it was confirmed that a new level of management was created as part of the latest review of Strategic Sourcing and this created three new senior roles with backfill opportunities below them, APUC also has the advantage that staff can move between the core team and IPS and from institution to institution to develop their careers.
27. Chair thanked JE for her engaging presentation.

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

28. The minute of the 14 August 2025 Board meeting was approved as an accurate record of the meeting and for uploading to the website. (**ACTION: Sec**)

### **Matters Arising (APUC/19/2025)**

29. All Matters Arising from the previous Board meeting had been actioned or scheduled as outlined in paper APUC/19/2025. In relation to Board involvement to support APUC, this would vary by Board member and the groups they were part of etc.

### **Matters Arising (Strategy Workshop)**

30. It was noted that the Board had a successful Strategy Workshop on the afternoon before this meeting to explore key focus areas and approaches to help inform the new APUC (2026-2031) strategy development. The workshop also comprised an in-depth session to give due consideration to the Gillies Report in the context of APUC's governance and management arrangements

### **APUC Annual Procurement Report (APUC/20/2025)**

31. The annual report was presented for approval by the Board and noted that it is a general update of core team activities required to meet regulatory compliance.
32. The Board gave its approval for publication to the Scottish Ministers and on the APUC website. (**ACTION: Sec**)

### **Summary Report (APUC/21/2025)**

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

#### *Summary highlights*

- **Responsible Supply Chain deep-dive assessment programme** going well with 308 deep-dive reports now received from EcoVadis.
- There are circa **180 Framework Agreements** available to the sector, led by or facilitated by APUC.

#### *General updates*

- Next Procurement Network Conference will take place in May 2026 following the Board meeting.
- All laptops are now upgraded to Windows 11.

- APUC's website platform is being replaced with a more modern platform to make it easier for stakeholders to navigate, easier to update and to improve search engine optimisation. It will be launched early in 2026.

#### *Data protection*

- There have been no reportable data protection breaches in the last reporting period.

#### *Health and safety*

- There have been no reportable accidents or incidents in the last quarter, and the Lost Time Injury Frequency Rate (LTIFR) remains at 0.

34. The Board were happy with the contents of the summary report.

#### **EcoVadis in the HE/FE Sector in Scotland (APUC/22/2025)**

35. This detailed report was in response to a request from the Board regarding improvements achieved from the EcoVadis project.

36. The average score improvement in the reporting period was 3.9% and the overall improvement since the start of the project was 15.2%

37. The Board felt that the report was very helpful and that we could explore using the results externally to extol the benefits of using EcoVadis. **(ACTION: AW/Rica MacDonald)**

#### **Funding consultation process**

38. It was reported that SFC funding will be 'flat cash' for next year at best and that due to this, undertaking the standard Funding Consultation Process to agree a higher amount as had been agreed under previous FCG processes which we then had not obtained via the SFC due to the flat cash environment also in past years, would be an unnecessary burden on FCG members' time.

39. It was agreed that AW should write to the FCG setting this out and suggesting that a consultation is not required but obtain the groups support for continuation of as many current services as is possible within a flat cash environment (and via other external funding sources / use of deferred income). **(ACTION: AW)**

#### **Any Other Business**

40. The process for registering ID verification code with Companies House was explained and will be implemented during confirmation statement updates when they are due.

41. Chair also thanked PS and his team for hosting the meeting and for their hospitality.

42. There being no further business, the meeting closed at 12:25.

#### **Date of Next Meeting**

43. The next Board meeting will be held on Tuesday 10 February 2026 online via MS Teams.