Minutes of APUC Board Meeting held at 10:30 a.m. on Wednesday 2 July 2014 in Room 107, Brahan Building, Perth College.

Present

Nigel Paul (Chair)	University of Edinburgh
Gerry Webber (GW)	Edinburgh Napier University
Stuart Paterson (SP)	Independent
Angus Warren (AW)	APUC Ltd (Chief Executive)
David Ross (DR)	Independent (joined the meeting by phone)

(*Irene Bews provided her inputs for agenda item 9 in advance in writing)

In attendance

Elizabeth McFarlane (EM)	APUC Ltd (by telephone for item 5 only)
Stephen Richardson	APUC Ltd to present agenda item 6
Michael Caithness (MC)	APUC Ltd

Welcome and Apologies

1   Apologies were received from Alan Williamson, Janet Thomson, Mhairi Laughlin, Irene Bews*, Douglas MacKellar and Martin Fairbairn.

2   The Chair welcomed the Board members present and thanked them for attending.

Minutes of Previous Board Meeting

3   The minutes of the 1 April 2014 Board meeting were approved as an accurate record of the meeting.

Matters Arising: APUC/13/2014

4   All matters arising from the previous Board meeting had been actioned or were in progress as outlined in paper APUC/13/2014 as follows:

- Item 18: AW to work with SFC over the summer to redefine the APUC membership criteria. (**ACTION: A.Warren**)

- Item 29: SFC is reviewing cross sector guidance for measurement methodology for Efficient Government Savings.

- Item 37: Actioned and will be incorporated into future funding process activities.

- Item 59: Topic covered later in the agenda (item 7).

Summary Report: APUC/14/2014

High level summary

5   AW gave an overview of the information contained in the APUC Summary Report (Paper APUC/14/2014) and highlighted the main high level data as follows:

- Number of members is down to 43 due to Coatbridge College merging into New College Lanarkshire.

- SAMS and UHI Shared Services joined as Associate Members.

- 159 collaborative contracts available with some renewals in the pipeline.

- 34.5% of HE spend and 22% of FE spend is now through collaborative agreements.

General update

6   The "Sustain" Project's website is progressing well and questions and content are currently being reviewed prior to entering into a pilot test phase. Gradual launch is targeted to commence from September 2014.

7   Chair informed the Board that the next meeting of the PUK Advisory Group would take place on Friday 11 July and that any relevant outcomes would be shared when confirmed.

8   AW gave an update on the forthcoming Procurement Network Conference noting that Sir Ian Diamond has agreed to speak at the event.

9   AW advised that APUC is planning a switch over of its email service to Microsoft Exchange 365 as the first step in "virtualising" the IT Services and that this will be implemented on Friday 11 July.

10   AW gave an update on the EDAM project as follows:

- Go live went well.

- 17,000 equipment items are now in the database.

- Sharing of engineering equipment will be possible and is being encouraged

- ½ day workshop planned for October 2014 jointly with equipment.data

- A feed into the "equipment.data" database is planned.

- The database will have sections for institutions, the sector and public access.

11   SP asked if equipment would be only flagged as available for sharing or available for sale and SR added that it could be both.

12   Chair added that EDAM could be a good success story to tell the Government.

Staffing

13   AW gave an update on the Trainee Scheme noting that recruitment for the second round was in progress. The current trainees are due to complete their training in October (2) and January (1) and there is good noted interest from institutions to offer them roles in their organisations.

14   AW also added that APUC was following developments in the Modern Apprentice Scheme and will work with stakeholders to determine the best way forward for the sector.

IS Shared Service Catalyst

15   AW advised that the ISSC team are now in place and working on key stakeholder engagement. An IS Strategy Group is also being established consisting mainly of institutions' CIOs.

Benefits

16   AW advised that the reported savings for the 12/13 financial year were £12.5M with £3.5M non-cash based on generally versus Previous Price Paid (BT1). This figure does not include all of the data from the SG Electricity agreement. He added that a Market Price Savings (BT2) guidance document will be published soon and that it is intended to report on both BT1 and BT2 in future. APUC are working with the Collaborative Leads Group and Joint Contracting Group to encourage the sector and UK wide use of the same methodology.

Procurement Capability Assessments (PCAs)

17   AW informed the Board that the PCA will not be reported nationally in 2014 and an informal approach will be taken. He added that it is planned to assess all institutions in 2015 with the new assessment approach and then it would

move into a two year cycle from 2016 - with half being done in 2016 and half in 2017 etc

18   GW reported that Procurement was noted as bringing notable value at a recent Universities Secretaries meeting.

College Scotland Developments

19   Chair enquired about developments at Colleges Scotland and AW advised that the current CEO was stepping down and would be replaced by 2 new CEOs for Colleges Scotland and College Development Network respectively.

20   Chair stressed the importance of ensuring that the new CEOs are up to speed on the procurement status of the sector and AW committed to liaise accordingly.

Financial Management Report (APUC/15/2014)

21   EM joined the meeting by telephone and highlighted the main features detailed in the Financial Management Report (APUC/15/2014) that included a summary of the actual income and expenditure for the period to May 2014 compared to the approved budget; the forecast outturn for 2013 - 14; the forecast balance sheet for the year ending 31 July 2014 and the cash profile for 2013-14.

22   SP, noting the capital expenditure on new servers, asked why we were not outsourcing this IT hardware and AW advised that these servers will act as a bridge for the Hunter Remote Desktop solution and will eventually be moved to a shared facility somewhere on the Janet network to ensure fast access speeds.

23   The Board noted the contents of the Financial Management Report.

Strategic Plan Review - eSolutions (APUC/16/2014)

24   SR gave a PowerPoint presentation on the latest status of eSolutions as follows:

Supported Technologies

25   There are now 8 systems being supported by the APUC team with helpdesk services provided.

eProcurement and Content

26   Support is being provided for Parabilis roll-outs at Universities of Aberdeen and Strathclyde.

27   Chair enquired if there was a growing migration from PECOS to Parabilis and SR advised that SG has supported the creation of a Marketplace in PECOS that provides a similar feature set to Parabilis and should minimise future moves away from Pecos.

28   AW added that institutions that were moving to Parabilis usually have ERP systems which Parabilis previously integrated better with, before this latest development of PECOS.

29   SP asked if there was a strategy going forward and SR advised that SG's preference is PECOS and it is further enhanced now that it also has eInvoicing capability. AW added that it is more a policy than a strategy and stressed that PECOS was the better option now that it also has the Marketplace feature.

30   SR added that PECOS has more support than Parabilis and that it now has more than 170,000 orders placed through it.

31   Catalogue Content Management is now in place and supporting both procurement systems.

PCS, PCS-T and Award

32   SR advised that our sector is leading the way in the use of PCS-T and that more than 100 people have been trained by APUC in its use.

33   The Award tender evaluation software provides enhanced monitoring and reporting of the tender process.

Spend Analysis

34   SR noted that the Spikes-Cavell contract has been extended again and AW added that it was the intention to retender it for next year.

Hunter

35   SR gave a live online demonstration of the features and information available through Hunter.

36   SP asked if supplier performance could be monitored via Hunter and SR informed the Board that this capability was on the development list. AW added that institutions can already add comments on supplier performance.

37   SR continued to explain that Hunter shows all contracting agreements that are in place and that real time information is available to stakeholders and contract managers.

38   SP asked if Excel and NHS were using Hunter and SR confirmed that they were not.

39   SP asked what the frequency of inputs from suppliers was and SR advised that it is currently on a quarterly basis but aiming for monthly input where possible.

40   SR concluded by informing that £2.5b worth of spend was captured in Hunter.

41   Chair noted that Hunter was a great step forward in the contract management/MI process and thanked SR for his presentation.

Procurement Reform Act and New EU Directive (APUC/14/2014)

42   AW presented the paper outlining the number of areas affected by changes in the EU Directive. He advised the Board that it is not known yet how SG will interpret the list of options but stressed that there has never been so much change to public procurement and that it would represent a big learning curve for the sector.

43   Chair asked how we communicate the changes to institutions' leaders and AW suggested that we could share the paper as it is and provide follow ups as the situation progresses.

44   GW commented that most universities secretaries have no inkling of the pending changes and asked that Universities Scotland be encouraged to move it up their agenda.

45   Chair added that SAUDE should also be informed and AW suggested that the document could be modified to suit different groups and that a plan should be created to define how the information should be disseminated across SUFDG, SAUDE, the US Principals and the Secretaries Group. (**ACTION: A.Warren**)

Update on ISSC Related Matters

46   AW advised the Board that he would be attending the Sector Oversight and Digital Boards instead of the Chair in future.

47   GW stressed that we need to coordinate reporting to avoid repetition over various groups and Chair suggested that reporting on the activity of the catalyst should help to focus this.

Management of Surplus / Reserve (APUC/18/2014) – item 9

48   AW presented the paper outlining the proposal for how APUC should utilise surplus funds for impacts of change by creating a "Major Change and Development" fund to allow it to be used at the relevant times during the period from August 2014 to July 2016.

49   The Board approved the proposal regarding use of these funds.

Any Other Business

50   Chair stressed that how "zero hour" contracts should be used be carefully described to avoid misinterpretation of their use and AW suggested that a policy statement should be created to explain how APUC uses these contracts. (**ACTION: A.Warren**)

51   AW confirmed that the proposed change of Chair for the Board had been fully agreed by the Board members.

52   There being no further business, the meeting closed at 12:20

Date and venue of Next Meeting

53   The remaining 2014 dates are as follows:

- Board: Monday 20 October – APUC, Edinburgh (including the annual meet the Board / Team session)

Dates for 2015 as follows:

19 January - Board
31 March - Board
21 May - AGM
24 June - Board
21 October - Board