

Advanced Procurement
for Universities & Colleges

Annual Report

2018/19

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Introduction from the Chair of APUC Limited.

On behalf of the Board of APUC Limited, I am delighted to introduce APUC's Annual Report for the year 2018-19.

This year has again been one of substantial development and change for the sector and APUC, and also another one of significant achievement. The 2018/19 academic year was the first full year of APUC operating to its new Strategic Plan and the format of the Annual Report has therefore been adapted to align with the themes in the new Strategic Plan.

APUC provides a myriad of services and tools related to procurement, but also supports the sector in other areas as well, mainly around enablement of shared services. At the beginning of the academic year in the scope of this report, APUC successfully created and then divested a new business, HEFESTIS Limited, to host mainly information services related shared services. After initially operating them within the APUC Group, it was felt that they would have more flexibility going forward if they were in a company not bound by the parameters of operating as a Cost Sharing Group. APUC does however still provide the corporate services (HR, Finance, IT and Governance) for the new stand-alone business in order to ensure that both companies provide a highly optimised and efficient suite of services to the Scottish Higher and Further Educations sectors.

APUC had been in dialogue with HMRC regarding its VAT status for a number of years and I am pleased to report that these discussions reached a conclusion towards the end of the academic year to the satisfaction of both parties.

Brexit has played its part in the workload of APUC during the year, with a significant amount of planning and dialogue occurring with the considerable number of suppliers on framework agreements. Various contingencies and actions (stockpiling, change of import routes etc.) have been put in place and APUC continues to monitor and adapt the management of the supply market to ensure that as much risk as possible can be reduced and managed in relation to Brexit impacts.

The Climate Emergency is clearly becoming something that will take increased prominence across Universities, Colleges and wider society. APUC has already commenced work on managing impacts in this subject area and with the latest information from the IPCC (Intergovernmental Panel on Climate Change) making it clear that it is becoming a highly critical issue, APUC, working in partnership with client institutions, the Scottish Government and stakeholders on a more global basis, will implement additional reviews and action planning activity to maximise the positive action that can be undertaken by the sector's supply chains and in how the sector uses the goods and services it obtains from these supply chains.

The following pages provide a series of highlights on the work taking place across the various themes of the Strategic Plan and include information on the framework agreements led by or facilitated by APUC that are available for client institution use.

Through delivery of its work, APUC has continued to achieve considerable success for the sectors by working closely with its client institutions and, with them, forming a highly focussed collective team. I would like to extend my thanks to all institutional staff involved in procurement activity for their cooperation and to all staff in APUC for this outstanding example of sustained and highly productive collaboration. I should also like to convey my warm thanks to my colleagues on the APUC Board whose guidance and support for the development of APUC has been, and continues to be, extremely valuable.

Jim McGeorge,
Chair of the APUC Board

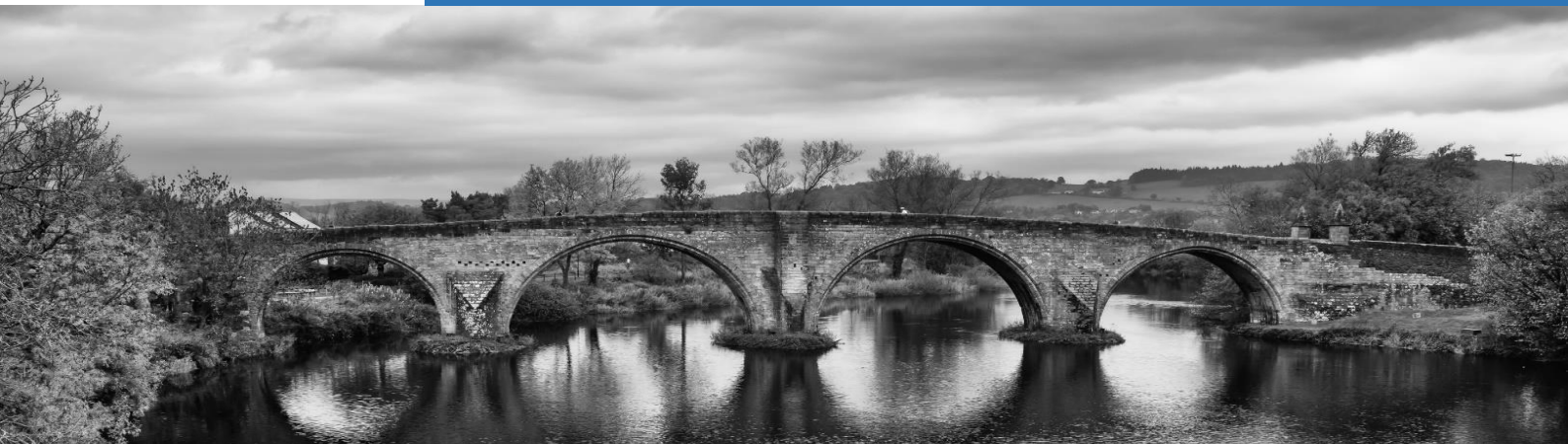


to increase Efficiency and Collaboration

The Information Services (IS) Catalyst Project was brought to a successful completion and the following IS shared services from the programme were live by August 2018:

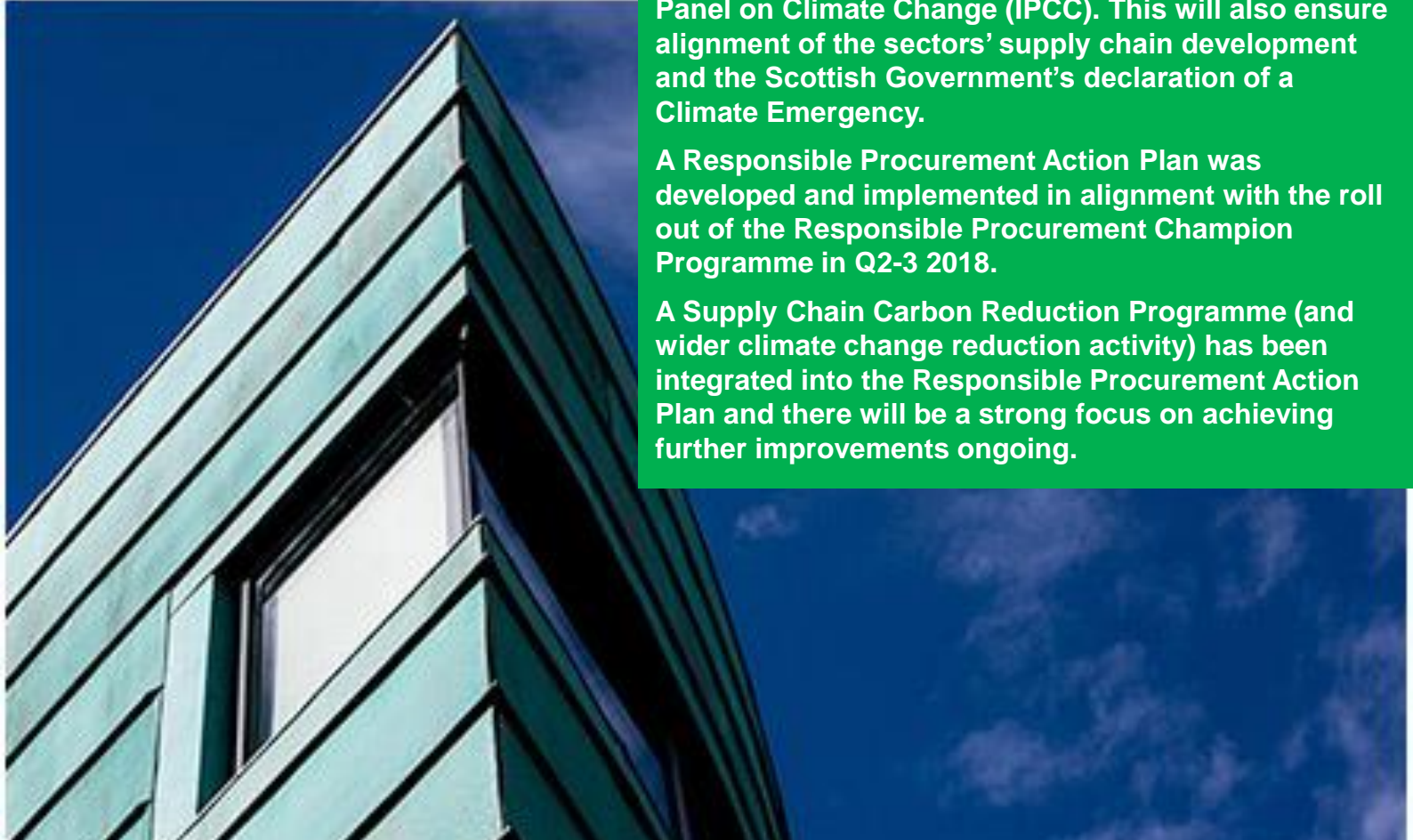
- ❖ Cross-Sector Training Register (Live)
- ❖ Moodle-Share (Live)
- ❖ InfoSec/CISO-Share (Live)
- ❖ DPO-Share (Live)
- ❖ UniDesk Helpdesk shared service transitioned from commercial service to shared service as planned

The new HE/FE Collaboration Catalyst (to assist in catalysing further potential shared services and increase collaborative working) was in place from Q3/2018 and three new services are in costed discussions phase.



- Regional procurement teams (APUC or mixed APUC institutional staffing) continued to develop with solutions tailored to suit each region's needs
- Circa 45 staff are providing on-site procurement capability on a shared service basis across client institutions
- Circa 173 collaborative Framework Agreements were available to the sector throughout the year with high levels of utilisation
- Category eBulletins continued to be issued quarterly
- The PRA Operational Procurement Strategy was updated in line with the 2018 – 2022 Strategy
- The first new Procurement Development Workshop (PDW) format event took place in February 2019. This PDW new format event was very successful and this will become an annual event

in delivering Sustainable & Responsible Procurement



Climate change is to be given more focus during the prioritisation process in light of the updated information and reporting by the Intergovernmental Panel on Climate Change (IPCC). This will also ensure alignment of the sectors' supply chain development and the Scottish Government's declaration of a Climate Emergency.

A Responsible Procurement Action Plan was developed and implemented in alignment with the roll out of the Responsible Procurement Champion Programme in Q2-3 2018.

A Supply Chain Carbon Reduction Programme (and wider climate change reduction activity) has been integrated into the Responsible Procurement Action Plan and there will be a strong focus on achieving further improvements ongoing.

- The effectiveness of the Sustain Ethical / Environmental supply chain assessment process and supply market engagement has been reviewed and the questionnaire simplified. The revised question set will now be integrated with an updated online Contract and Supplier Management Tool, planned to go live circa October 2019, which will be positioned as a continuous improvement process rather than a view of a snapshot in time
- An eLearning Package on tackling Modern Slavery in the Supply Chain was developed and made available to the sector
- APUC have become part of the new Responsible University Group Scotland (RUGS), formed by Universities Scotland in early 2019 to address a wide spectrum of social, ethical and environmental issues, including climate change. APUC are also in dialogue with the College Development Network regarding similar activities across the College sector.

to maximise Savings & Benefits

An updated UK HE/FE Benefits Reporting Methodology was agreed and implemented across the sector as planned.

The Sector's core reporting tool (Hunter) was updated with Sustainability / Community Benefits (BT14) reporting capability by the end of 2017 and results recorded across the sector. APUC has completed a review of the results to Q1 2019 and issued an updated guidance paper for the sector.

Desktop Selection of suppliers offerings was integrated into all appropriate framework agreements to Optimise Routes to Market.

APUC commenced development of a course on "alternative routes to market" for its staff and institutional staff.

- 18/19 Savings and Benefits data is gathered quarterly although some data is only obtained at year-end. Indications for the 2018/19 year are that benefits are to exceed objective levels
- Portal Based Spend and Benefits Data Reporting and Validation is now available for cross matched institutional and supplier MI data on-line based on quarterly submissions with Real Time 18/19 Benefits Reports now live
- Finalised Savings achieved for 2017/18 academic year were: -
 - BT1: £13.8m
 - BT2: £26.7m

to widen Access & enhance Supplier Development and performance



- A pilot on-line Contract and Supplier Management Tool was launched at the end of 2018. An updated version that will integrate with the updated Sustain tool is now due for comprehensive roll-out later in 2019
- The optimisation review to ensure that all framework agreements that are appropriate for regionalised supply chains was put into implementation phase with a revised tendering programme integrated into tendering strategies going forward
- APUC is supporting institutions to implement invoicing capability where requested in line with the compliance date of April 2020
- APUC completed supply chain focussed GDPR assessments of framework suppliers and has integrated this work into the ongoing contract and supplier management processes
- On-line content (narrative and video) to Ensure Businesses of all sizes have access to and understand how to bid for sector business is provided
- Meet-the-Buyer events and targeted local business awareness sessions were delivered in both the south and north of the country in 2018 and APUC will also attend such events in 2019/20

increasing Capability and supporting Continuous Improvement

Support and development activities for the Procurement and Commercial Improvement Programme (PCIP) continued to take place including interim catch up sessions to assist institutions in improving their procurement processes and meeting PCIP requirements.

Re-assessment for all in-scope Universities and Colleges commenced during Q2 2019 and will be complete by Q1 2020.



- Exploration work has taken place into the use of Blockchain technology for managing transactional supply chain processing and in supply chain tracking / assessment. Extreme energy use and mass-data management have been identified as presenting practical challenges to organisations that have piloted the technology. No further development work will be undertaken or planned in the short term but a watching brief is being maintained however as second generation approaches may resolve the current challenges
- Eight eLearning Modules for Procurement Learning and Development are now available to institutions via the Buyers Portal. A Good Practice Hub was also launched on the Portal and two further eLearning modules are in development for release by the end of 2019. Overall, circa 20 Training Courses are currently available to the sector, either online or on a face to face basis, with delivery undertaken across Scotland
- The Management Trainee Programme continues to be extremely successful, with 4th round resources commencing their employment towards the end of the academic year

Corporate Services

APUC/UCSS (and indeed HEFESTIS Ltd) could not function without the continuing support from the CORPORATE SERVICES teams

- ❖ **Support for IT, general administration, facilities and communications is now well established for each APUC office location.**
- ❖ **Continuing support for client facing media is delivered (eBulletins etc).**
- ❖ **Stakeholder and staff eZines are now well established as a popular means of communication.**
- ❖ **Full Finance support to the business, for staff and external stakeholders was provided from a highly effective Finance resource – this will be developed further in the coming year to deal with increasing workloads**
- ❖ **Implementation of an Integrated Workforce Management and Development Approach was realised with the recruitment of an HR Manager and implementation of an HR Management system during August 2018. A full review of policies was completed and customised leadership and line management training delivered as a programme of events during 2018/19**

The 2018-19 Financial Statements and associated reports are available on the [corporate information page](#) on the APUC website.

Summary Update on Governance Changes (full list of Directors is on page 12):

- Carol Turnbull, Dumfries and Galloway College resigned from the Board on 7/12/18. The Board wishes to express its sincere thanks for her contribution to the APUC Board.
- Phil McNaull, University of Edinburgh resigned from the Board on 14/1/19, as a result of his retirement from the University of Edinburgh. The Board wishes to express its sincere thanks for his contribution to the APUC Board.
- David Beattie, University of Aberdeen joined the Board on 15/1/19 as Phil McNaull's replacement.
- Stuart Paterson, non-sector director stepped down on 20/9/18 after a long and distinguished service on the Board. The Board wishes to express its sincere thanks for his excellent contribution to the APUC Board since its inception in 2007.
- Maureen McCreath, non-sector director joined the Board on 15/7/19 as Stuart Paterson's replacement.
- Sheena Stewart, Abertay University kindly agreed to extend her current term as an HE director on the Board by another year to May 2020 to enable the directors 3 year term cycle to be brought into sync.
- Pete Smith, North East Scotland College agreed to continue to serve as an FE director for a further year until May 2020.
- Fiona Gavine, non sector director, has agree to serve for a further 3 years until 2022

Fig 1a - Collaborative Framework Agreements available with Buyers' Guides

| | | |
|--|---|---|
| <p>Audio Visual, Multimedia, Entertainment and The Arts Supplies and Services</p> <ul style="list-style-type: none"> • Audio Visual (inc. Video Conferencing) Supply, Design, Installation, Maintenance • Photographic Equipment and Consumables | <p>Sports Science, and Recreation</p> <ul style="list-style-type: none"> • Fitness and Sports Equipment | <ul style="list-style-type: none"> • Shared Data Centre, Jisc • Similarity Detection Systems and Associated Services |
| <p>Library and Publications Supplies and Services</p> <ul style="list-style-type: none"> • eBooks and eBook Collections for HE/FE • Library Books, Educational Textbooks and Multimedia Supplies (Supply and Delivery) • Library Security and Self-Service Equipment, Software and Maintenance • Periodicals (The Supply of) Sole supplier of Periodicals to members of APUC, Northern Ireland Institutions, National Library of Scotland and National Museums of Scotland • Print Books and Standing Orders (the Supply of) | <p>Janitorial and Domestic Supplies and Services</p> <ul style="list-style-type: none"> • Ceremonial Gown and Photography Services • Cleaning Materials and Disposable Paper Products • Laundry Services • Washroom Services • Washroom Solutions and Sanitary Products (3217) | <ul style="list-style-type: none"> • Software Licence Resellers Agreement (SLRA) • Software Value Added Re-seller (VAR) • Student Information Management Systems and Associated Services • Student Module Evaluation Systems Framework • Tablet Client Devices • Technology Products 2 (RM3733) • Virtual Learning Environment (VLE) Systems Framework • Vulnerability Assessment and Information Services, JISC |
| <p>Catering Supplies and Services</p> <ul style="list-style-type: none"> • Alcohol - Supply and Distribution of Spirits, Wine, Beer and Cider • Catering Consultancy Services • Catering Disposables and Sundries (Scotland Excel) • Confectionery, Snacks, Soft Drinks, Cakes and Ancillary Products • Disposables and Kitchen Chemicals (Catering) • Fresh Bakery Products • Fresh Butcher Meat • Fresh Dairy Products • Fresh Fish and Seafood • Fresh Fruit and Vegetables • Hot Beverage Dispensing Equipment and Ingredients • Recruitment Services • Vending Equipment (Supply and Distribution of) | <p>Utilities</p> <ul style="list-style-type: none"> • Liquid Fuels • Natural Gas • Non Domestic Energy Efficiency • Supply of Electricity (HH, NHH and Domestic) • Water and Waste Water Services | <p>Laboratory Supplies and Services</p> <ul style="list-style-type: none"> • 3D Printers, 3D Scanners and associated equipment, Supply of • Antibodies and Sera (and other related matrices) IRLA • HVLE - Gene Expression and Genotyping Analysis Equipment, Associated Equipment, Accessories, Consumables, Maintenance and Servicing • HVLE - Maintenance and Servicing of High Value Laboratory Equipment • HVLE - Refurbishment and Recycling and Disposal of High Value Laboratory Equipment • IUPC Lab Gases • Laboratory Chemicals, Supply of • LABORATORY EQUIPMENT ONE-STOP-SHOP • Laboratory Equipment Supply, Installation, Delivery and Post Installation Services • Laboratory Plastic-ware, Glassware and Sundries, Supply of • Laser Equipment, Supply of • Life Science Equipment • Liquid Handling Robotics and Laboratory Automation Systems • Mass Spectrometry and Chromatography Equipment, Supply of • Microscopes and Imaging Equipment, Supply of • Molecular Biology Research Services (Next Gen Sequencing) • Radiochemicals for use in Research and Teaching • Veterinary Supplies |
| <p>Medical, Surgical, Nursing Supplies and Services</p> <ul style="list-style-type: none"> • Healthcare Student Uniforms • Multi-Modality Imaging Equipment | <p>Computer Supplies and Services</p> <ul style="list-style-type: none"> • Apple Equipment and Services (National) • Assistive Technology, Hardware, Software and Consumables • Client Devices - Thin Clients (National Framework for) • Client Devices - Web Based Computing and Proprietary Devices (National Framework for) • Data Centre Management - Lot 1 Equipment • Desktop and Notebook (NDNA) • Desktop Client Devices (National Framework for) • Dynamic Purchasing System (DPS 2.0) for Digital Technology Services • Finance, HR/Payroll Systems Framework • HE Networking Agreement ITS 2004 NE LOT 1 Equipment Only • IT Peripherals (SP-17-021) | <p>Workshop and Maintenance Supplies</p> <ul style="list-style-type: none"> • Electrical Sundries Supply of • Electronic Components - Lot 1 Electronic Components • Salt for Winter Maintenance SXL2917 • Sustainable Timber Products and Materials |
| <p>Furniture, Furnishings and textiles, Supplies and Services</p> <ul style="list-style-type: none"> • Domestic Furniture and Furnishings (including White Goods) (SXL 08-15) • Floor Coverings • Furniture (Supply, Delivery and Installation of) • Hair and Beauty • Soft Furnishings - Lot 1 - Bedding and Bathroom • Textiles and Associated Student Accommodation Packs • White Goods and Associated Products and Services • Window Coverings | <ul style="list-style-type: none"> • IT Related Accessories and Parts (ITRAP) • Mobile Client Devices (National Framework for) • National Framework for Workstation Client Devices • National Job Evaluation for the Further Education sector • Professional Buying Tools - PCS Tender • Routing and Switching Equipment, JISC • SCURL Library Services Platform Systems • Servers, Storage and Solutions National Agreement (SSSNA) | |

Fig 1b - Collaborative Framework Agreements available with Buyers' Guides (continued)

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|---|---|---|
| <p>Printing, Reprographics and Photocopying</p> <ul style="list-style-type: none"> • IT Consumables • Office Equipment • Office, Computer and Library Supplies • Print and Associated Services Framework • Printers and Managed Print Services (NEPA) • Publishing Print Design and Associated Services | <ul style="list-style-type: none"> • Intellectual Property Rights Services - Lot 1 Non patentable IPR services • Interim IT Staff Services - National • Interim Professional Staff Services - National • Marketing Research • Media Planning Buying and Associated Services • Media Services Framework 2nd Generation • Public Relations | <p>Estates and Buildings</p> <ul style="list-style-type: none"> • Air Filters - Lot 1 - Air Filters and Associated Products • Building Materials • Condition Surveys • Door Maintenance, Repair, Inspection and Including Supply • Estates Professional Services (RM3816) • Lift Maintenance, Installation and Refurbishment Services • Plumbing Consumables and Commercial Heating Products • Portable Appliance Testing (PAT) - Lot 1 - England and Wales • Project Management and Full Design Team Services RM3741 • Recycling Bins and Street Furniture - Lot 1 Recycling Bins • Road Surfacing • Supported Businesses - Furniture • Trade Materials • Water Quality Management - Lots 1- 5 – Risk Assessment Services |
| <p>Telecommunications</p> <ul style="list-style-type: none"> • Telecoms Equipment Lot 2 Telephones • Telephony Purchasing Service, Jisc • Telephony Services | <ul style="list-style-type: none"> • Recruitment Advertising and PINs • Relocation Services • Temporary and Permanent Recruitment • Training Provider Agreement - Lot 1 IT and Project Management | <p>Facilities Operations</p> <ul style="list-style-type: none"> • Catering Outsourced Services • Franking Machines • Office and Special Moving Services • Pest Control • Postal Services • Sandwiches and Associated Products • Sandwiches and Associated Products • Waste Management • Water Coolers 1317 |
| <p>Professional and Bought-in Services including consultancy</p> <ul style="list-style-type: none"> • Admin, Catering and Manual Staff Services - North region • Admin, Catering and Manual Staff Services - South region • Audit Services - Internal External and Tax • Cash and Valuables in Transit • Creative Services • Debt Recovery Services • Digital Marketing • Education Recruitment Advertising and Resourcing Services – National (NERARS) 2018 • Electoral Services • Employee Services • Events and Video Production Services • Executive and Senior Strategic Search and Recruitment Services • Global Mobility Support Services Lot 1 Legal Services • Insurance Services • Intellectual Property Rights Services • International Media Planning Buying and Associated Services • Legal Services • Management Consultancy Framework | <p>Stationery and Office Supplies</p> <ul style="list-style-type: none"> • General Stationery and Office Paper • Office, Computer and Library Supplies - Lot 1 • Paper - Print and Specialist • Promotional Merchandise - Lot 1 Merchandise and Clothing <p>Travel and Transport (incl. Vehicle hire and Subsistence)</p> <ul style="list-style-type: none"> • Travel and Student Travel Services • Travel Services • Travel Services <p>Health and Safety and Security</p> <ul style="list-style-type: none"> • Employee Counselling and associated services • Fire Safety Products and Services • Mobile Phones - Ethically Sourced • Personal Protection Equipment (PPE) and Clothing • Security Services and Equipment <p>Vehicles, Fleet Management (Purchase, Lease, Contract Hire)</p> <ul style="list-style-type: none"> • Vehicle Hire and Leasing - Lot 1 Vehicle Hire • Vehicle Lease (CCS REF: RM6096) • Vehicle Purchase (CCS Ref RM6060) | |

Annex A

Full members - HE Institutions (19)

Abertay University
Edinburgh Napier University
Glasgow Caledonian University
Glasgow School of Art
Heriot-Watt University
Queen Margaret University
Robert Gordon University
Royal Conservatoire of Scotland
Scottish Association for Marine Science (SAMS)
Scotland's Rural College (SRUC)
University of Aberdeen
University of Dundee
University of Edinburgh
University of Glasgow
University of St Andrews
University of Stirling
University of Strathclyde
University of the Highlands and Islands
University of the West of Scotland

Full members – FE Institutions (23)

Ayrshire College
Borders College
City of Glasgow College
Dumfries and Galloway College
Dundee and Angus College
Edinburgh College
Fife College
Forth Valley College
Glasgow Clyde College
Glasgow Kelvin College
Inverness College
Lews Castle College
Moray College
New College Lanarkshire
Newbattle Abbey College
North East Scotland College
North Highland College
Perth College
Sabhal Mor Ostaig
South Lanarkshire College
West College Scotland
West Highland College
West Lothian College

Associate members (7)

Argyll College
Fraunhofer UK Research Ltd
Orkney College
Shetland College (including NAFC Marine Centre UHI)
The James Hutton Institute
The Highland Theological College
HEFESTIS Limited

Associated bodies (4)

College Development Network
The Scottish Funding Council
Universities Scotland
Colleges Scotland

Annex B

Directors for the year ended 31 July 2019

Jim McGeorge, *University Secretary, University of Dundee*
Phil McNaull, *Director of Finance, University of Edinburgh*¹
David Beattie, *Director of Finance, University of Aberdeen*¹
Carol Turnbull, *Principal, Dumfries and Galloway College*³
Sheena Stewart, *University Secretary, Abertay University*
Janet Thomson, *Deputy Principal, Glasgow Clyde College*
Pete Smith, *Vice Principal - Finance and Resources, North East Scotland College*
Fiona Gavine – *non sector director*
Stuart Paterson – *non sectoral director*²
Maureen McCreath – *non sectoral director*²
Douglas MacKellar – *non sectoral director*
Angus Warren – *Chief Executive, APUC Ltd*

¹ Phil McNaull resigned from the Board on 14/1/19

¹ David Beattie joined the Board on 15/1/19 as Phil McNaull's replacement.

² Stuart Paterson resigned from the Board on 20/9/18

² Maureen McCreath joined the Board on 15/7/19 as Stuart Paterson's replacement.

³ Carol Turnbull resigned from the Board on 7/12/18

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