
S T U D E N T L O A N S  C O M P A N Y L I M I T E D

Finance & Governance Board
Held at 3.00pm on 9th January, 2008
Boardroom

Present:	Les Campbell	Finance Director	Chair	LC
	Chris Andrew	Company Secretary		CA
	Ralph Seymour-Jackson	Chief Executive		RSJ
	Derek Ross	Deputy Chief Executive		DR
	Martin Herbert	Customer Services Director		MH
	Steve Simpson	Head of Human Resources		SS
	Stephen Watt	Financial Accounting Manager		SW
	Michael Mullin	Procurement Manager		MM
	Christine McConnell	Legal & Compliance Manager		CMcC
	Louise Love	Internal Audit Manager		LL
	John Rae	Facilities Manager		JR
	Jennifer Anderson	Senior Executive Secretary	Minutes	JA
	By Invitation:	Peter Robertson	Head of ICT Development	
Apologies:	David Thomson	Head of Customer Contact		DT

Distribution – FOI Website

1. Chairman's Opening Remarks

LC welcomed the group to the first Finance & Governance Board. LC advised a pre-meeting was held in December, 2007 to review the draft Terms of Reference and obtain feedback from Board members.

2. Finance & Governance Rolling Action Plan

LC advised the Finance & Governance Action Plan has been created in advance of the first Board due to an action arising from the pre-meeting held in December, 2007. Another action was also brought forward from the CMB. These actions merited the following discussion:

FGB004 – CA advised discussions have taken place between himself and LL and an agreement has been made that an update on AIM (Action Implementation Meeting) will be provided to the Finance & Governance Board on a quarterly basis and any audit issues will be brought to the Board on an exceptions basis. **Action Closed**

FGB006 – SW advised the Board that an initial review of considering third party organisations for the required disaster recovery support for the Oracle system has taken place, however, due to technical IT issues and substantial funding issues, no solution has as yet been established. RSJ suggested SW approach Wallace Gray, ICT Director, to review the end to end process within the Oracle chain with a view to resolving this issue. **Action Ongoing**

3. Revised Finance & Governance Board Terms of Reference

LC presented the revised Finance & Governance Board Terms of Reference incorporating the agreed changes from the pre-meeting to review the Terms of Reference. LC queried if the Board were content with the changes and invited the group to make comment. CMcC queried in terms of Reporting, and the reports due to be submitted from a number of various sub-boards, forums or groups, what sort of Reports were expected to be submitted. The group agreed Minutes from the listed sub-boards, forums and groups would be appropriate along with an Annual Report, highlighting key activities, achievements and issues. The group also considered the membership of the Board, in particular IT representation, however, it was agreed membership can be amended going forward if required. **The Finance & Governance Board Terms of Reference were approved subject to the above change. ACTION(FGB007) - JA.**

4. Gifts/Hospitality Revised Policy & FY07-08 Register

CMcC presented the revised Gifts & Hospitality Policy recently approved by Ralph Seymour-Jackson, Chief Executive and Keith Bedell-Pearce, Chairman and noted she and CA are meeting next week to discuss how best to communicate and roll out to all staff. **ACTION(FGB008) – CA/CMcC.** CMcC noted the key point to note is the change to social invitations, whereby all invitations should now be declined with exception to compelling circumstances and being approved by the Chief Executive. The group queried what constitutes a compelling circumstance, however, RSJ advised he is wary of defining this in advance of circumstances arising.

CMcC provided the Board with an example of an invitation which is believed to be of a compelling circumstance, however, RSJ disagreed and noted the invite should be declined. LC also provided an example of a social invitation from a supplier, which was again deemed to be unsuitable. RSJ reminded the Board consistency is required across the company.

CMcC suggested it may be beneficial to forward the company's Gifts & Hospitality Policy to suppliers to assist them in understanding why the company has to decline invitations. MM also suggested the policy be sent to suppliers whilst undergoing tender exercises. The Board agreed that the policy should be placed on the company's corporate website and that tender documentation should refer to the policy and to where it can be found. **ACTION(FGB009) – CMcC/MM.**

The Board also noted alcohol should always be declined and declared. In terms of raffling a gift, it was agreed it would be a good idea to ask suppliers if they are willing for their gift to be raffled for charity or returned to them. CMcC agreed to create a template letter reflecting this. The Board also requested CMcC improve the presentation of the Gifts & Hospitality form. **ACTION(FGB010) – CMcC.**

It was noted the Finance & Governance Board will review the register on a quarterly basis. All instances of social invites and gifts should be recorded whether there is a decline or an acceptance. SW queried what the responsibility of the Finance & Governance Board is in terms of reviewing the register as it is a historic document. RSJ advised it will provide lessons learned and assist the company understand what activities are ongoing and also sends out the message to management that the register is being actively reviewed.

5. Steering Group/Forums Terms of Reference

As agreed at the Finance & Governance pre-meeting to review the Board's Terms of Reference, it was agreed terms of reference are required for all steering groups and forums across the company. LC queried if all required groups have been captured. SS suggested the Trade Union Consultative Committee, however, it was agreed this is not considered as a steering group or forum and any issues arising from this meeting can be captured through the Equality Forum. The group also queried whether the VFM Steering Group should report to the Finance & Governance Board, however, DR advised there will be a complete list of all sub-groups after all of the new Boards have taken place when it will be clearer where individual forums take issues to their relevant Boards. Minutes of all Internal Management Boards will be reviewed and monitored at the Executive Board.

The group discussed the format of all the Terms of Reference and agreed a standard format should be applicable. MH queried the Health & Safety Policy submitted and it was agreed Terms of Reference should be

created for the Health & Safety Consultative Committee meetings. SS to take forward. **ACTION(FGB011) – SS.**

In terms of the Security Forum Terms of Reference, CA queried, in light of recent security events, if customer data should be highlighted more explicitly. The group agreed this is a business as usual topic for the Security Forum to discuss and clarify both customer and employee information.

SW highlighted reference to the Corporate Management Board requires to be removed from all Terms of Reference. It was agreed each owner of the Terms of Reference should update and re-submit the revised version of their documents to the next Finance & Governance Board. **ACTION(FGB012) – SS/CMcC/JR.**

6. Delegated Authorities

SW presented a report providing the Finance & Governance Board with the current levels of delegated authorities operated within the company and sought clarification as to whether they are still appropriate to meeting the company's needs. In relation to external business cases, RSJ queried the approved relevant funding authority of £250k. CA advised the amount comes from the Financial Memorandum and noted anything other than a trivial amount would require an external funding business case. DR advised programme business cases will be reviewed as part of customer first going forward.

In relation to authorisation for discretionary write offs of mortgage style loans, MH queried why separate approval was required from Finance. SW advised this was initially historic as Collections used to sit under Finance, however, noted the value to having authorisation for write-offs from Finance. CA reminded the group discretionary write off's should be being considered under the mortgage style review. SW reminded the group Class functionality would need to be considered in conjunction with this issue.

In terms of amendments to the paper, it was agreed reference should be made to customer services and reference to the CMB should be removed. SW also agreed to take forward issues in relation to ICR loans and IVAs. **ACTION(FGB013) – SW.** The report was agreed, subject to the above actions.

Peter Robertson joined the meeting

5. Steering Group/Forums Terms of Reference (continued)

PR joined the meeting to provide the Board with an update on the Information & Data Management group set up from an Audit action and Corporate Risk highlighting a gap in information control and poor data management. PR provided the group with an overview of the requirements of the group, membership details and the next steps which need to be taken. PR sought confirmation from the Finance & Governance Board that the group is required and has a clear mission for the organisation. LC noted the group is clearly beneficial and the group's agreed Terms of Reference should be formalised and submitted to the next Finance & Governance Board. **ACTION(FGB014) – PR.**

Peter Robertson left the meeting

7. Balance Sheet Pack

SW presented a summary of the balance sheet reconciliations to the Board for information. SW queried if this document is of interest to come on a regular basis to the Board. LC advised he is comfortable with seeing the reconciliations as Finance Director, however, noted he does not feel they need to come to the Board on a regular basis. SW advised he would bring on an exceptions basis.

8. Expenses Policy Summary (proposed changes)

SW presented proposed changes to the Expenses Policy which requires to be formalised due to company growth and to ensure consistency across the company. The key change to the policy is the introduction of a fixed subsistence allowance. The group agreed there is a requirement to update the policy and discussed in detail whether or not the Rate A subsistence allowance is appropriate or not. The group agreed it be worthwhile to discuss the scheme with the Business Development area of the company due to the regularity of travel within

the department. SW agreed to liaise with Paul Smith and discuss further if required with LC and RSJ, following which the revised policy should be implemented. **ACTION(FGB015) – SW.**

RSJ queried the purpose of the statement contained within section 2.1 of the policy, “Treasury guidelines indicate that where benefits are accrued under loyalty schemes as a result of expenditure by the organisation, e.g. points or miles accumulated for fuel purchases or air travel, these should either be used for the benefit of the organisation or donated to charity”, as the company are not able to accrue points under any loyalty schemes and potentially could devalue any of the real changes. SW noted this is merely an excerpt from the HM Treasury guidelines and will check if the statement applies to NDPB staff. **ACTION(FGB016) – SW.**

The group discussed the requirement and necessity of the increasing amount of taxi journeys used by the company particularly in central London and a suggestion was made to pilot the use of oyster cards. SW noted he was content with this proposal subject to confirmation from internal audit that specific justification cannot be provided on a number of journeys.

CA highlighted the policy does not provide clear guidelines on hospitality provided by the company and proposed the fourth bullet point of section 1 be removed from the policy and he would prepare a separate policy in accordance with the Expenses Policy providing clear definition of hospitality provided. **ACTION(FGB017) – CA.**

The group noted the policy should be submitted to the Main Board for information once all revisions have been made. **ACTION(FGB018) – LC.**

9. Any Other Business

MM raised for awareness the recent changes to the procurement tender thresholds to £25-75k. The group agreed these changes should be documented and presented to the next Finance & Governance Board to be minuted for approval. **ACTION(FGB019) – MM.**

Meeting Closed 5.00pm

NB: Where asterisks appear these items have been excluded from the minutes before placing on the website as the subject under discussion falls within one or more of the exemptions contained in Part II of the Freedom of Information Act, 2000 and can be reasonably withheld.