Minutes of Meeting of the Board of Directors
Held at 11.00am on Tuesday 24 June 2014
1 Victoria Street, London

Present:	Mr Chris Brodie	Chairman	CB
	Mr Mick Laverty	Chief Executive	ML
	Prof Dame Glynis Breakwell	Non-Executive Director	GB
	Mr Michael Yuille	Non-Executive Director (by phone)	MY
	Mr David Edelman	Non-Executive Director	DE
	Mr Willie Gallagher	Non-Executive Director	WG
	Mr Rob Kennedy	Non-Executive Director (by phone)	RK
	Mr Chris Andrew	Company Secretary	CA
	Mr John Brown	Interim Company Secretary	JB
In Attendance:	Mr Matthew Hilton	BIS	MH
	Mr Ben Coates	BIS	BC
	Mr Martin Campbell	SLC (items 5.2–5.4 only)	
	Mr Stephen Neilson	SLC (items 5.2–5.4 only)	
	Ms Vicky Riley	SLC (items 5.2–5.4 only)	
	Mr Dilraj Aujla	ThoughtWorks (items 5.2–5.4 only)	
	Mr Jeremy Sutherland	ThoughtWorks (items 5.2–5.4 only)	
By Invitation:	Mr David Wallace	Deputy Chief Executive	DW
	Mr Derek Ross	Director of Operations & Customer Services	DR
	Mr Gordon Simpson	CIO & Director of Transformation	GS
Apologies:	Mr Stephen White	Scottish Government	SW
	Mr Chris Jones	Welsh Government	CJ

Distribution: As Above

1/2. Board Closed Session (Non Executive Directors only)

The Board meeting commenced at 11.45am

3. Chairman's Opening Remarks and Directors' Matters

The Chairman welcomed everyone to the meeting, and noted apologies from SW and CJ. He introduced JB as the new Interim Company Secretary and went on to thank CA for his contribution to the SLC and the work of the Board during his time as Company Secretary. The Chairman also thanked GS for his commitment to the Transformation Programme and on behalf of the Board wished both Gordon and Chris every success in the future as they move on to new roles outside of the SLC. It was noted that due to a conflict of interest (as a Trustee of the Company's pension scheme), CA would leave the meeting during the update on the pension scheme that would be provided as part of the CEO report, and that the members of the Executive Leadership Team would stay for this discussion (while noting that they were scheme members).

4.1 Minutes of the meeting held on 27 May 2014

ML advised that the interim Executive Director to replace GS had not been appointed as recorded in the draft minutes. The individual has still to formally accept the offer of the post but ML expects that this will happen in the next few days and the post will be filled by the 7th of July 2014. Having noted this update, the Board approved the minutes of the meeting of 27 May 2014.

4.2 Matters arising from previous minutes

The Board noted the update.

BC provided an update on MB011, advising that a meeting was being held in BIS on 24 June 14 to consider how to address the issues raised It was agreed that BC would provide the Board with an update at the next meeting. This update will include details of any issues that remain unresolved. <mark>Action MB011 – BC</mark>

CB provided an update on the Board Effectiveness Review and proposed that this information is included in a wider review of the Board's effectiveness that he has asked JB to undertake on the Board's behalf. It was agreed that this review will report back to the September Board meeting. Terms of reference for the review will be drafted by JB for sign-off at the July Board Meeting. <mark>Action MB023 - JB</mark>.

It was also agreed that the report on the status of open audit action points should be referred in the first instance to the Audit Committee. The Chairman should be advised of any issues or concerns arising from the report. <mark>Action MB022 - MY</mark>.

5.1 CEO report

ML introduced the report. He provided an update on the delays caused to the CLAM project due to delays at customs in delivering hardware to HCL. He advised that the hardware is now on site and the lost time will be clawed back. As a result, ML was able to confirm that the project is still on track to deliver. *

Work continues to develop the Transformation Programme scorecard and the new format will be presented to the Board at the July meeting. <mark>Action MB024 - ML</mark>

DR reported that the SFE AY 2013/14 cycle continues to go well with the demands of increased workloads being met due to improvements in productivity. These improvements are mainly a result of benefits gained from changes to the SLC website that have resulted in fewer phone calls and improvements in the accuracy of the data provided by customers. The Board welcomed this positive update and asked that the staff involved should be congratulated for this achievement. <mark>Action MB025 - DR</mark>

ML then gave an update on the latest review of complaints activity in SLC. The Board were asked to note that although the overall number of complaints received has increased, the number of complaints that were accepted by the Company has dropped by over 4%.

The Ministerial statement on the issues relating to Student Finance applications from EU nations was discussed and ML confirmed that measures were now in place to ensure that the appropriate residency checks were carried out.   The need to have accurate and detailed management information around this customer group and their behaviours was discussed and agreed.

CA provided an update on the Financial Conduct Authority (FCA) position. Discussions are ongoing around the legal advice to date and a submission will be made to FCA following a further discussion at the July Board meeting. CA/JB will provide a paper outlining the SLC's position prior to that meeting. **Action MB026 – CA/JB** The use of external legal advice by SLC was also discussed and it was agreed that the current approach should be reviewed. One of the outcomes of the review should be the development of a framework to assist in deciding when external advice is required. **Action MB027 – JB**

ML advised the Board of the discussions he and MY had with BIS colleagues, including Sir John O'Reilly, Mathew Hilton and Michael Slade at the BIS Risk Review Panel. The review was positive and the panel were assured that5 the SLC had identified and were actively mitigating the risks faced by the Company.

ML highlighted the recognition awards to SLC staff in May and the Board were pleased to note the ongoing commitment of staff to the continuing success of the SLC.

CA left the meeting while an update on the pension scheme was provided to the Board by DW. The Chairman confirmed that the Board would require an update following the meeting of the Trustees and the Pension Regulator on 25 June 14. Following this the Chairman will discuss the situation with Howard Orme. **Action MB028 – ML/ CB**

The Board then moved on to discuss the CEO's update on the various contracts recorded in the SLC contract register. It was agreed that MY would review progress in this area in his capacity as Chair of the Audit Committee and provide the Board with an update next month. **Action MB029 – MY**

5.2 Transformation Programme

Programme Update

ML advised that following NAO's positive assessment, SLC has been commended as the first of the GDS exemplar projects to deliver benefits. MC then updated the Board on progress against the Transformation Roadmap. This included detail of the milestones achieved on the People & Process and Technical Roadmaps and was followed by more detailed presentations on key areas of the programme.

HE FT Online Application

DR introduced this paper with an update on the new customer portal. The improvements in customer service and the corresponding reduction in call volumes were noted and this early delivery of benefits was welcomed by the Board.

DSA e-invoicing

VR (the Process Owner) delivered a presentation on the DSA e-invoicing project. The Boarded was pleased to note that the project has been delivered on time and in budget with positive feedback from customers, suppliers and staff. It has also enhanced SLC's capability to tackle fraud. The DSA project has also given SLC more capability to improve customer service and make efficiencies in other areas of the business. The lessons learned, particularly around communications with stakeholders will be taken forward.

Google Analytics

A presentation on the use of Google Analytics by MC followed. This described how SLC can track customers use of the SLC web site and highlighted the potential for operations managers to use the real-time MI it provides to identify and respond to customers' requirements.

Build Vs Buy Option

SN delivered a presentation that provided the Board with an update on the work to evaluate the choice of a 'build' strategy for the Business Rules Engine, Business Process management and Integration software. This work confirms the 'build' option as the preferred option and as such is in line with the Government IT Strategy.   Following examination of the figures presented and discussion around the risks involved, the Board confirmed that the 'build' option is the right approach, but recognised with that there was a need for the Company to develop the necessary in-house capacity and capability to undertake the work itself within a reasonable period of time.

Benefits Realisation

SN also presented an update on progress being made to provide a clear rationale for change and embed benefits focussed activity across the organisation. The approach was endorsed by the Board and the Chairman advised that he was meeting with the lead partner of Methods to discuss the Board's information requirements from this part of the Transformation Project.

Delivery Assurance

GS presented the proposed Delivery Assurance Model for the programme. The Board accepted this proposal, acknowledging the need to build and maintain strong links between the Independent QA Partner role and the Audit Committee. ML was tasked with ensuring this as the new structure is implemented. **Action MB030 – ML**

5.3 Contact Centre Procurement

DR provided an update on the SLC requirement for outsourced Call Centre support. The Board asked that DR explore the possibility of extending the current contract for a further year. **Action MB031 – DR**

5.4 Repayment Update

The Board noted the report.

5.5 Health & Safety Annual Report

The Board noted the report.

5.6 Regulatory Partnership Group

DW presented the update on the work of the RPG. He confirmed that the SLC designation process for alternative providers now includes checks that take into account relevant information on the institution and also the specific campus that is providing the learning.

5.7 Finance Report

The Board noted this report, recognising that further discussions were still taking place following the issuing of the APRA at the start of the Financial Year.

5.8 Governance of TNT Contract

The Board approved this report.

6. AOB

There were no items of any other business.

7. Date of Next Meeting

The Board noted that the next meeting would take place in Darlington on Tuesday, 29 July 2014 at 11.00am.

The Board meeting closed at approximately 15.15pm.

8. Board Closed Session

NB: Where asterisks appear within a numbered item, these sections 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.