Student
Loans Company

Minutes of Meeting of the Board of Directors
Held at 9.30am on Tuesday 28 January 2014
Bothwell Street, Glasgow

Present:	Prof Dame Glynis Breakwell	Interim Chair	GB
	Mr Mick Laverty	Chief Executive	ML
	Mr Michael Yuille	Non-Executive Director	MY
	Mr David Edelman	Non-Executive Director	DE
	Mr Willie Gallagher	Non-Executive Director	WG
	Mr Rob Kennedy	Non-Executive Director	RK
	Mr Chris Andrew	Company Secretary	CA
In Attendance:	Mr Chris Brodie	Chairman Designate	CB
	Mr Matthew Hilton	BIS	MH
	Mr Stephen White	Scottish Government	SW
By Invitation:	Mr David Wallace	Deputy Chief Executive	DW
	Mr Derek Ross	Operations & Customer Services Director	DR
	Mr Les Campbell	Finance and Administration Director	LC
	Mr Gordon Simpson	CIO & Director of Transformation	GS
	Ms Jenifer Stirton	Marketing & Communication Director	JS
	Ms Taroub Zahran	People and Transformation Director	TZ
	Mr David Thomson	Business Implementation Manager (item 5.4)	DT
	Ms Lindsay Brown	Lead Product Manager (item 5.4)	LB
Apologies:	Mr Neil Surman	Welsh Government	NS
Distribution:	As Above		

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

The Board meeting commenced at 11.00am

3. Interim Chair's Opening Remarks and Directors' Matters
The Interim Chair welcomed everyone to the meeting, and extended a particular welcome to CB (the Chairman Designate), who was in attendance at this meeting. She noted apologies from RW and NS.

4.1 Minutes of meeting held on 17 December 2013
The Board approved the minutes of the meeting of 17 December 2013.

4.2 Matters arising from previous meetings
The Board noted the update.

5.1 CEO Report
ML introduced his report. He noted that clarification discussions with the CSR preferred bidder were progressing well, and that the award of the contract was currently anticipated in mid-February.

ML noted the update on the Cyber Security Assessment, which was included as an annex to his report. He stated that a Board awareness session is being organised for a future Board meeting.

He then invited DW to provide an update on Counter Fraud, and DW then summarised the latest position.

The Board noted the latest position on complaints, and in particular the update that had been provided at the January meeting of the Stakeholder Forum. The Board also briefly discussed the situation regarding the Company's use of 0845 numbers, and noted that discussions with BIS on funding the necessary changes are ongoing as part of the overall budget process.

DR circulated an updated paper setting out the latest position on EU (A2) nationals. He advised the Board that there were a total of 87 public institutions included in the total figures. The Board then briefly discussed the latest position with regard to the number of cases included in each of the main categories, and MH thanked the Company for the joint work that was being undertaken together with the Department.

ML advised that the revised Recognition Scheme was launched in January 2014. The Board gave its congratulations to Craig Mahon (ICT) and also to the HEI Services team, who had all been recognised in this month's report. He then provided a brief update on the Company Pension Scheme, bringing to the Board's attention that the 2011 valuation had still to be approved by the Pension Regulator.

The Board then discussed the latest summary update on the Transformation Programme. *

Following the discussion, the Board requested that a full update on the Transformation Programme should be provided at the next Board meeting, including the latest position on the roadmap, and noted that this should be linked to an update on the CLASS sustaining work **Action MB193 – GS/CA.**

The Interim Chair thanked ML for his report.

5.2 Corporate Risk Report
DW introduced this report, and summarised the key corporate risks that were set out in the covering report. The Board raised some specific questions on certain risks, including those related to the MSL debt sale, following which the report was noted.

5.3 Change Programme Update
DW summarised the main points in the report, in particular noting the decision by SAAS to defer the planned AY 2014/15 implementation of SAAS pay loans. He then provided an overview of the SFW Modernisation project. The Board asked about the impact on the planned launch date arising from the recent change request, and noted that the Company would be very reluctant to move beyond the date currently being discussed due to the likely impact on its ability to deliver the service this year. It was noted that if it becomes necessary to launch the service without the additional checks in place that have been proposed by the change request, then this risk would sit with the Welsh Government.

5.4 Demonstration of the New HE Application Process
This item was introduced by DR, and DT and LB then gave a demonstration of the new HE application process. This was very well received by the Board, and it was agreed that it was very useful to see the significant improvements that had been achieved. GS noted that the Company is currently the only GDS exemplar organisation that has delivered three live products using the digital by default service design principles. The Interim Chair thanked DT and LB for an excellent presentation.

5.5 Stakeholder Engagement Update

The Board approved the new approach as set out in the report, noting that it is important that the purpose and nature of the engagement is understood, with appropriate key messages being developed to support the approach.

5.6 Managing Our People Quarterly Report

TZ provided an overview of the key points within the report, including the approach being taken for staffing the peak operational periods during AY 2014/15. After a short discussion on the organisational design element of the overall Transformation Programme roadmap and the importance of communicating changes at an early stage, the Board thanked TZ for her report.

5.7 Audit Committee Report

MY provided an overview of the last Audit Committee meeting. The Board noted the Committee's view that the overall internal control environment is improving, based on the findings of recent audit reviews.

5.8 Finance Update

The Board noted this report.

5.9 Phishing Debt Write Off

This report related to writing-off suspense account balances that had arisen from phishing losses, for which the necessary system functionality was now in place. It was noted that these losses had already been recognised in BIS' accounts. The Board approved this report.

5.10   Contract for Short Term Operational Staff at Lingfield Point

LC introduced this report. * *Action MB194 – LC.* It was agreed that an update on the work of the Commercial team, including the resources in place for the management of contracts, should be provided by the Head of Commercial at the next Audit Committee meeting in March 2014 Action MB195 – LC.

6.   AOB

There were no items of AOB.

7.   Date of Next Meeting

The Board noted that the next meeting would take place in Glasgow on Wednesday, 26 February 2014 at 9.30am.

The Board meeting closed at approximately 1.15pm.

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.