



**Minutes of Meeting of the Board of Directors
Held at 11.00am on Wednesday 29th June 2016
Conference Centre, BIS Offices, 1 Victoria Street, London SW1H 0ET**

Present:	Chris Brodie	Chairman	CB
	Steve Lamey	Chief Executive	SL
	Antonia Cox	Non-Executive Director	AC
	Simon Devonshire	Non-Executive Director	SD
	Natalie Elphicke	Non-Executive Director	NE
	David Gravells	Non-Executive Director	DG
	Sally Jones-Evans	Non-Executive Director	SJE
	Michael Yuille (by phone)	Non-Executive Director	MY
	Gary Womersley	Company Secretary	GW
In Attendance:	Ruth Elliot	BIS	RE
	Joanna Rodin	BIS	JR
	Chris Jones	Welsh Government	CJ
	Sian Kerr	DELNI	JO
	Paul Curtis	Scottish Government	PC
By Invitation:	David Wallace	Executive Director of Finance, Strategy & Corporate Services	DW
	Derek Ross	Executive Director of Customer Services & Operations.	DR
	Jacqueline Steed	Chief Digital Officer	JS
	Paul Mason	Executive Director of Repayments & Fraud	PM
	Christine McAllister	Head of Corporate Communications (Observer)	CM
Apologies:	Prof Dame Glynis Breakwell	Non-Executive Director	GB
Distribution:	As Above		

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1. Chairman's Opening Remarks and Directors' Matters

CB welcomed everyone to the meeting – there were no declarations of interest.

CB intimated that CJ had asked to say a few words at this point of the meeting, re the recent FY15-16 Audit Assurance exercise carried out by the Welsh Government. CJ commented that feedback from the recent exercise was very pleasing, with auditors commenting on the high performance levels and very low error rates. CJ lauded SLC and the professionalism and diligence of all staff which had contributed to such a positive report. CB thanked CJ for his comments.

2. Presentation from UKGI on ICR Loan Book Sale

Board enjoyed a presentation from Anne Spinali and Ed Westhead re the ICR Loan Sale.

Board were provided with a recap of the backdrop to the ICR Loan Sale *.

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* **ACTION MB196 - SL**

3. Presentation on BIS Service Design

Board enjoyed a presentation re BIS Service Design by Rebecca Kemp of BIS Group Digital.

RK advised that SLC had been chosen to work jointly in the recent exercise by Livework, as following good work by SLC in recent years, there was now a desire to consider potential operational efficiencies.

Board discussed the summary findings of the presentation noting that many areas of improvement were outwith SLC's control, such as reliance on HMRC for information and SLC's needing to comply with the policy-ask from HMG. SL agreed that the principle of simplification was a good one but that further work would be required on the necessary metrics. Board further discussed the need to not lose any lessons learned from previous similar exercises undertaken and that there be greater understanding among SLC, BIS & DAs re what potential "trade-offs" would be in pursuing such initiatives and the impact on otherwise progressing current/expected asks of SLC.

Board noted that it would be keen to consider the questions posed in the presentation, including the role of BIS/the DAs, as part of greater intended strategic discussions planned for Sept/Oct. SL confirmed he would progress discussions in the interim with BIS Group Digital. **ACTION MB197 - ALL**

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3.1 Minutes of the meeting held on 25th May 2016

Board approved the minutes of the meeting of 25th May 2016.

3.2 Matters arising from previous minutes

GW intimated that of the nine actions logged, six were marked for closure.

GW noted that whilst MB193 was still to be complied with, it was scheduled to be undertaken.

In respect of MB197, it was noted that the SLC ERP business case had not yet been signed off. SL commented that he was appreciative of BIS assessing the ERP business case in the greater context of BIS 2020 and suggested that he engage direct with HO on the matter in lieu of CB writing presently to the BIS DG – Board agreed. **ACTION MB198 – SL/DW**

4.1 CEO Report

SL presented his CEO Report.

SL intimated that he would particularly like to cover the recent EU Referendum result; PGL; Legal/Commercial Update; DR/DC; Pensions; Staff Recognition; and an update on his recent Ministerial meeting, as well as his initial assessment from his first four weeks.

SL stated that following the EU Referendum result, calls to SLC from EU students had gone up. SL advised that going forward, further assessment would be required with BIS and DAs.

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SL intimated that PGL had been a fabulous success * – SL lauded the new way of working exemplified by PGL and stated that he considered this to be the basis on which all future policy implementation be realised by SLC.

CB requested that it be minuted that the Board were extremely appreciative of the contribution made by all staff within SLC on PGL and that he would write to express his thanks accordingly.

ACTION MB199 - CB

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SL updated that in addition to the section within his CEO Report, he had been involved in further discussions with CB re DR/DC and Business Continuity (BC). SL advised that while SLC had measures in place for any immediate contingencies, work was still ongoing re how SLC would progress from any interim contingent arrangements back to full service delivery. SL confirmed he would be part of ongoing discussions in this regard, with a full paper on the matter on-track for presentation to the Board by April 2017. **ACTION MB200 – SL/GW.** Board discussed how in other sectors, simulation was used to test any BC plans *.

SL informed that the Pension Workshop carried out with SLC Pension Trustees had progressed well and that agreement in principle to SLC proposals had been obtained. SL confirmed further work would continue in this regard. GW confirmed that the current aspiration was that matters would continue to progress to allow a paper to be presented to the July Board for approval.

SL shared his initial thoughts re SLC. SL intimated that whilst SLC was operating on the basis of a stable platform, he had identified SLC Strategy as requiring further input. SL advised of his plans to develop this aspect over coming months, with internal workshops planned and further reports back to Board in September and a fuller Board deep-dive in October. SL intimated that SLC Governance would be a key component of this review.

Board noted the CEO Report.

4.2 SLC Change Portfolio Update

JS provided an update on Summary Portfolio Headlines & Integrated Programme Plan; CLASS Replacement; DR and DC Consolidation; and the Security Programme.

JS highlighted recent workstreams re PGL, RTC3 and Government Banking. JS informed that the business case to bring SLC's Banking platform within vendor warranty had cleared BIS approval and was now with Cabinet Office for final sign-off. JS confirmed that as soon as final sign-off was obtained, SLC would seek to procure a technical partner for delivery through pre-existing Government frameworks.

Board noted the SLC Change Portfolio Update.

4.3 Operations Update

DR provided Board with an Operations Update.

DR confirmed that notwithstanding late confirmation of policy requirements for this year and later 16/17 cycle launch, SLC were ahead of last year and against forecasts on application volumes. Call volumes were stated as also being lower than forecast – as a result of enhancements to the online application, improvements in advice and guidance and faster

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turnaround of applications by the processing teams. DR advised Board that efforts continued to mitigate risks re system stability and in on-boarding HGS.

Board noted the Operations Update.

4.4 AY17/18 Commission of SLC and Portfolio Assessment

DW advised Board that given that the commission from BIS and DAs was the largest that SLC had been asked to deliver in any one year, in addition to the substantial in-flight programme being carried forward, that SLC required policy decisions at the appropriately detailed level to be able to commence discovery and inception phases.

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DW provided a summary of the key themes and areas contained within the HE White Paper which could impact SLC. DW highlighted the role of OfS, issues relating to exit arrangements for providers and that Approved Fee Caps could create additional work for SLC. Potential issues re Postgraduate Doctorate loans and Alternative Student Finance were discussed by Board.

Board noted the AY17/18 Commission of SLC and Portfolio Assessment.

4.5 Commercial Update

PM presented a Commercial Update, noting in particular that a new Commercial Director had been appointed, the Commercial Scorecard had improved from Green-Amber to Green and that work continued following the Internal Audit review of February 2016.

Board noted the Commercial Update.

4.6 Repayment Progress Report

PM introduced his Repayment Progress Report, highlighting in particular the Repayments Strategy and Change Programme; the NAO & PAC recommendations; and Repayment KPIs.

Board noted the Repayment Progress Report.

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* **ACTION MB201 – DW**

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4.8 Monthly Finance Update including Management Accounts Outturn

DW informed that SLC spend was being tracked against the Letter of Comfort, which provided SLC's interim budget for operating expenditure and projects for FY16-17. *

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Board noted the Monthly Finance Report & Management Accounts Outturn.

4.9 Annual Health & Safety Report

GW introduced the Annual Health & Safety Report.

GW informed that SLC continued to actively review health and safety pro-actively across all sites and that progress obtained over recent years continued to improve.

Board noted the Annual Health & Safety Report.

4.10 Update from SLC Whitehall Group

SL provided a verbal update on the SLC Whitehall Group of 24th June, at which he had been accompanied by AC.

Board noted the SLC Whitehall Group Update.

4.11 Board Deep-Dive

DR discussed thoughts from the first Board Deep-dive (re PGL). DR intimated that discussion since had flagged up the following learning points:

- i. the need to limit the traditional board element, so as to allow time for the deep-dive;
- ii. limit location changes and minimise additional logistics;

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- iii. adhere to the scheduled timing for the deep-dive; and
- iv. one person to “take ownership” of component parts of relevant deep-dive and monitor timing.

DR intimated the intended itinerary and format for the July Board Deep-dive, which was to include the Board splitting into three groups, visiting various parts of the Darlington teams, with provision for Board feedback and discussion thereafter.

Board noted the Board Deep-dive verbal report.

4.12 Main Board Risk Summary

Board noted the Main Board Risk Summary.

SL commented that he would like the discussion of Corporate Risks to become more of an integral part of future Board discussions and that he was continuing to consider further. SL intimated that he had already had discussions with GW on this and associated matters and that he would engage further with the Board, as his thoughts crystallised.

4. AOB

CB thanked MY for his contribution to SLC – it being his last Board meeting – and asked that the appreciation of CB/the Board be minuted by way of thanks to MY.

5. Date of Next Meeting

The Board noted that the next meeting would take place in Darlington on Wednesday 27TH July 2016 at 11.00AM.

The Board meeting closed at 2.00PM.

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.