



**Minutes of Meeting of the Board of Directors
Held at 09.30am on Tuesday 13th December 2016
Boardroom, Bothwell Street, Glasgow G2 7JD**

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| Present: | Chris Brodie | Chairman | CB |
| | Steve Lamey | Chief Executive | SL |
| | Prof Dame Glynis Breakwell (by phone) | Non-Executive Director | GB |
| | 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 |
| | Gary Womersley | Company Secretary | GW |
| In Attendance: | David Wallace | Deputy CEO/Executive Director of Finance, Strategy & Corporate Services | DW |
| | Matt Toombs | DfE | MT |
| | Joanna Rodin | DfE | JR |
| | Steven White | Scottish Government | SW |
| | Chris Jones (by phone) | Welsh Government | CJ |
| | Sian Kerr (by phone) | Department for Economy (NI) | SK |
| | Paul Mason (Item 3.1) | Executive Director Repayments & Fraud | PM |

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1. Chairman's Opening Remarks and Directors' Matters

CB welcomed everyone to the meeting – in particular Matt Toombs, Director – DfE, who was formally attending his first Board meeting.

NE confirmed that she had now formally been requested to join the DfE Audit & Risk Committee – otherwise there were no declarations of interest.

2.1 Minutes of the meeting held on 22nd November 2016

Board approved the minutes of the meeting of 22nd November 2016.

2.2 Matters arising from previous minutes

GW confirmed that of the nine actions listed, three were marked for closure and six remained open.

3.1 CEO Report

SL presented his CEO Report.

SL advised that following recent coverage, he had invited PM to give an update on the Repayment issues raised, identified root causes and action plan.

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* ACTION MB227

SL informed Board re various stakeholder meetings/visits he had carried out, in particular with PwC - and highlighted parallels and differences in challenges faced re student finance in UK and other jurisdictions, chiefly the USA.

SL and DW updated Board re Information Risk Management and Cyber Security. *

Board welcomed both the high-level and day-to-day perspectives presented within the CEO Report on ICT Security. *

SL advised re progress on recent Counter-Fraud initiatives and discussed how SLC could and should be seeking to do more in this regard proactively going forward. Board discussed how the integral consideration of counter-fraud should be factored into future policy development and its transition to operational implementation.

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DW provided an update in respect of the Finance papers submitted, as well as in respect of the current position (since the issuing of Board papers). DW advised that additional information had been provided with the Finance papers to give Board sight of progress re that the APRA process. NE added the APRA process would be followed by the Audit & Risk Committee. Following queries from the Board, JR confirmed that DfE would also be engaging with the DAs as part of the APRA process.

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SL provided an Operations update. Board discussed the original number of anticipated applications * compared to the new re-forecast figure * and possible underlying factors. SL confirmed that how SLC estimated applications received would be reconsidered for future years.

SL advised that the number of appeals/complaints being progressed re PGL was less than previously reported. SL confirmed that the overall payment cycle was progressing well with no issue to report.

SL updated the Board re current Customer Satisfaction and complaint metrics, advising that work would continue here to ensure continuous improvement.

SL provided an ICT Update. *

SL provided a Managing People Report update.

* **ACTION MB228**

3.2 Loan Sale

CB advised that in light of ongoing developments re the Loan Sale, it was not considered appropriate to consider the paper before Board. *

* **ACTION MB229**

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3.3 Framework Agreement

GW introduced the Framework Document Report.

In addition to presenting an engrossed version of the draft approved in principle by the Board at the November meeting, GW also confirmed that the Report updated on DfE's plans re SLC's external governance framework, as per Annex C.

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Board commented that it was imperative that DfE/DAs engaged with SLC in a manner that was consistent with the terms of the Framework Document. Board also sought re-affirmation that DfE were committed to a further substantive Framework Document review following completion of the current Strategy Review – which MT & JR confirmed.

CB thanked everyone for their involvement in progressing the current iteration.

Board approved the Framework Agreement (subject to consideration being given by DfE to more appropriate wording being used in respect of the current wording re Triennial reviews).

3.4 Pension Update

GW provided Board with a Pensions update.

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Board noted the Pensions update.

3.5 Main Board Risk Review

DW introduced the Main Board Risk Review, highlighting the key changes since the last Report.

Board noted the Main Board Risk Review.

3.6 Update from Remuneration & Nominations Committee held on 22nd November

DG provided an update from the Remuneration & Nominations Committee of 17th November 2016.

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Board noted the Remuneration Committee update.

4. AOB

No matters were raised under AOB.

5. Date of Next Meeting

The Board noted that the next meeting would take place in Glasgow on Tuesday 24th January 2017 at 9.30am.

The Board meeting closed at 12.20pm

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.