



**Minutes of Meeting of the Board of Directors
Held at 09:30 on Wednesday 31st January 2018
SLC Offices, Bothwell Street, Glasgow**

Present:	Chris Brodie	Chairman	CB
	Antonia Cox	Non-Executive Director	AC
	Mary Curnock-Cook	Non-Executive Director	MCC
	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
	Andrew Wathey	Non-Executive Director (by phone)	AW
	Peter Lauener	Chief Executive Officer	PL
	David Wallace	Deputy Chief Executive Officer	DW
	Mike Blackburn	Chief Financial Officer	MB
	Gary Womersley	Company Secretary	GW
In Attendance:	Matt Toombs	DfE	MT
	Paula Crofts	DfE	PC
	Gareth Allen	Scottish Government	GA
	Chris Williams	Welsh Government	CW
	Sian Kerr	Department for Economy NI	SK
	Adrian Tucker	Chief Information Officer (part)	AT
	Ross Bern	Head of Strategic Portfolio (part)	RB
	Patricia Lombardi	Company Secretarial Assistant (Secretariat)	

1. Chairman's Opening Remarks and Directors' Matters

CB welcomed everyone to the meeting, in particular the newest Board members – Mary Curnock-Cook and Professor Andrew Wathey.

SJE declared an interest as Advisor to the Board of Severn Trent on ring-fenced Welsh business, noting that she may be appointed as a Non-Executive Director at a later date. There were no other declarations of interest.

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2. Minutes of Previous Meeting and Matters Arising

2.1 Minutes of the meeting held on 13th December 2017

Board requested that paragraph 3.2 be amended to read "...the Minister was pleased with SLC's progress in implementing the Diamond Report....." Subject to that amendment, the minutes were approved as a true and accurate record.

2.2 Matters arising from previous minutes

GW advised that of the 15 items, five were recommended for closure, being either complete or covered in today's agenda. Board discussed the following:

MB281 Estates Strategy report to come to the February Board meeting. CB asked that this discussion not be delayed any further and be marked as a definite agenda item for February.

MB289 Report on learnings from CLASS interest rates. ARC had asked for the procedural checks recommended by Internal Audit to be done as a matter of priority and urgency.

CB advised that as part of SLC's commitment to the Women on Board scheme, Bernice McNaught had joined the programme and was now on the Board of Aviva Investment Management.

3. Board Directors' Reports / Priority Business / Company Performance

3.1 CEO Report

PL presented the CEO Report and highlighted four key matters:

3.1.1 CB's letter to Sam Gyimah MP, the new Minister for Higher Education, provided a good summary of SLC's current position and the challenges it faced. *

3.1.2 HE Undergraduate service launch – *

Board was supportive of the position on launching the HE Undergraduate service.

3.1.3 *

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Board also discussed the importance of communicating good news stories, for example: the implementation of the passport link to remove the need for students to send in passports; and a more streamlined process operating through E-signatures.

Board was keen to understand more about Early Repayment and PL asked that a previous note prepared by Paul Mason be circulated with the minutes of today's meetings.

SJE commented that if colleagues who had comments to feed into the Huntswood (Complaints) Review wished to pass these to her she would be happy to coordinate the information.

Board noted the CEO Report.

3.2 CFO Report

MB presented the CFO Report.

MB reported that numbers were on track to meet the Quarter 2 review forecast, and highlighted the following:

- the 16/17 ARA would be taken as a separate agenda item at today's meeting;
- the signed letter was presented to Board with underpinning detailed tables; and
- Business Cases continued to move forward with the support of the DfE although approval had not yet been reached. (MB did not expect any issues but felt it appropriate to highlight the risk.)

Board was keen to see more attention given to the significant improvement in the financial picture compared with previous years. MB noted that he should be able to provide five-year financial and performance data for publication in the 17/18 ARA.

Board noted the CFO Report.

3.3 Risk Report

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GW presented the Risk Report and noted three new risks:

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Board noted the Risk Report.

3.4 SLC Strategy 2020 (Adrian Tucker and Ross Bern joined the meeting)

AT and RB presented SLC Strategy 2020.

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Board noted the SLC Strategy 2020 update. (Adrian Tucker and Ross Bern left the meeting)

3.5 Review of Governance Arrangements

PL provided the context of the work currently being undertaken internally. He referred Board to the Review of Corporate Governance Update and the significant programme of work set out therein. PL advised that a separate report would be brought to the February Board meeting and that the Committees Terms of Reference would not be discussed and concluded at this forum but reported to the Board in February.

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Board noted the Review of Governance Arrangements.

3.6 Report from Special Sub-Committee of the Board – ARA 16/17

CB provided an overview of the recent Special Sub-Committee meeting.

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Board noted the Special Sub-Committee update.

3.7 Committee Updates

3.7.1 Audit & Risk Committee

NE highlighted recent matters reviewed/discussed by the Committee, *

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3.7.2 Remuneration, People & Organisational Design Committee

DG highlighted recent matters reviewed/discussed by the Committee, including:

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DG stressed again the importance of adhering to all requirements and regulations around all employment contracts and settlement agreements.

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Board noted the Committee Updates.

3.8 SIRO Report

GW presented the SIRO report. He updated Board on ongoing work around the ten steps to cyber security and advised that in respect of corporate security matters all four components had received a positive score and achieved a higher performance rating than last year. GW also noted that PCI DSS compliance requirements would become more onerous going forward. CB reminded Board of the criticality of cyber security given the high level of sensitive information held by SLC.

Board requested that consideration be given to including an action plan in the SIRO report, cross-referencing internal audit activity.

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Board agreed that as a financial services company SLC should be particularly mindful of financial accountability and the need for Company information to be received through properly secure channels.

Board noted the SIRO report.

3.9 Pensions Update

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Board noted the Pensions Update

3.10 Appointment of Professor Geoff Layer as Chair of SLC Stakeholder Forum

CB advised of the appointment of Professor Geoff Layer as Chair of Stakeholder Forum, likely to commence in May when Professor Layer was expected to return from medical leave.

Board noted the appointment of Professor Geoff Layer.

4. AOB

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Board noted matters discussed under AOB.

5. Date of Next Meeting

Board noted that the next meeting would take place in London on Wednesday 28th February at 11:00am.

There being no other business, the Chairman thanked everyone for attending and the meeting closed at 1:05pm.

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.