

The SAAS Board

Minutes of meeting held in SAAS Boardroom,
G Spur, Saughton House, Edinburgh,
At 10:30 on 20 July 2016

Present

Paul Lowe	Chief Executive (Chair)
Keith Jenkinson	Director of Corporate Services
Roz McCracken	Head of Governance
Anne Ward	Director of Operations
Ed McGrachan	Non-Executive Board Member
Kathy Patterson	Non-Executive Board Member
Janet Unsworth	Non-Executive Board Member
Philip Whyte	NUS representative

In Attendance

Graham Bissell	Secretary
Sian Balfour	Recoveries Manager (Observing)
Lorna Caldwell	Head of Policy and Engagement
Paul Jamie	Caseworker (Observing)
Graham Philp	Head of Counter Fraud
Claire Tinney	Finance Manager

Apologies

Miriam Craven	Director of Policy and Engagement
Audrey Shimmons	Director of Finance
Janet Matthews	Non-Executive Board Member
Derek Smeall	Non-Executive Board Member

1. Welcome, apologies and acceptance of previous minutes and matters arising from previous minutes – MB(16/17)14

1.1 Paul Lowe welcomed attendees to the meeting and a note of apologies was recorded.

1.2 The minutes of the meeting held on 25 May 2016 were approved with a single amendment to correct the date of the meeting listed on the minutes.

Actions: All future Board minutes to contain a list of current Actions as an Annex at the back of the minutes

1.3 Existing Actions 1-8 from the SAAS Corporate Governance Committee tracker 2016-17 were reviewed and updated (see Annex A)

Action: Monitoring of staff leavers' destinations to be incorporated into the quarterly HR report

Action: Paul Lowe to meet with Julie Sinclair to discuss how internal communications audit should be taken forward

Action: Roz McCracken and Paul Lowe to meet to look at the current status of the discussions around the Balance Scorecard review.

2. Register/Conflict of Interest

2.1 No conflicts of interest were declared.

3. Chief Exec Update

3.1 Paul Lowe provided the Board with an overview of the outcome of the EU Referendum and the position of both the UK and Scottish Governments. The Board were told that the Agency was providing advice and support to Education policy colleagues, particularly on EU student circumstances and numbers.

3.2 Paul Lowe updated the Board on on-going financial discussions. The Board were informed that the Agency had secured a mid-year transfer of £1.2 million for 2016/17. The Board were told that a key objective for the Agency was to ensure that the historical context of the Agency's funding arrangements was properly understood for the Spending Review, so that future baseline budgets reflected the Agency's running costs.

3.3 The Board asked if any discussions at Board level were required at this stage to support the Spending Review. Paul Lowe indicated that these would be taking place at a later date.

3.4 The Board asked if the practice of mid-year budget transfers was going to be reviewed as part of the Spending Review. The Board were informed that a fully costed budget model would be presented as part of the Spending Review to ensure that the baseline funding of the Agency was appropriate.

4. Finance Report Q1 and Budget Update – MB(16/17)15

4.1 The Board were informed that a £1.2 million budget transfer to the Agency would take place in August and that budget profiling for the remainder of year had been conducted on the basis of this transfer. The Board noted that the Agency was set to meet its operational budget for 2016/17.

4.2 The Board heard that the Student Support Programme budget currently contained some flexibility, but that the true position would not be apparent until October/November 2016 when student applicant numbers were clearer.

4.3 The Board discussed the changes to the Resource Accounting and Budgeting (RAB) charge, including the work being conducted by economists

to develop a new model and the possible impacts on the student support programme budgets.

4.4 The Board asked if the Agency might incur any cash-flow issues as a result of the timing of the £1.2 million transfer. The Board were told that no issues were expected if the transfer was made as planned and that decisions and financial planning for the year had been made on the expectation of the transfer in August.

4.5 The Board discussed the possible impact on the Agency if an additional transfer were made later in the year. The Board agreed that, although there was a decreasing risk of this occurring, a list of equipment and short-term initiatives should be compiled in the event of budget being made available.

Action: Executive Team to discuss possible equipment and short-term initiatives in the event of budget being available later in the year.

5. Balanced Scorecard – MB(16/17)16

5.1 Both the 2015/16 Quarter Four and the 2016/17 Quarter One Balanced scorecards were presented to the Board.

5.2 The Board discussed the overall profile for 2015/16 and noted the improvements in processing performance overall. They highlighted the difference between the stronger Quarter One and Quarter Four performance, and the less-strong Quarter Two and Quarter Three performance. The Board noted how the Agency had already made improvements in how it handled the increased workload during the mid-year period and the resulting impact on the Agency's performance.

5.3 The Board discussed the 2016/17 Quarter One figures and discussed the following

- The FOI response time – the Board noted this was due to reasons outside of the Agency's control.
- The level of correspondence unanswered - the Board discussed the problems associated with the accuracy of this indicator and noted the Agency's improved performance on previous years.
- The level of sickness absence among staff.
- The level of debt outstanding, including how much was being written off and how appropriate the current measure was.
- The need to review the information and measures contained in the balanced scorecard

Action: Executive Team to review the information and measures contained in the balanced scorecard.

6. Strategy Development and Business Planning - MB(16/17)17

6.1 Heather Campbell presented the paper to the Board outlining the on-going strategy development and business planning activity.

6.2 Following the initial Business Planning discussions with the Agency the Board noted that there was a good alignment between the input provided by the Board and the input provided by staff through the early workshops.

6.3 The Board were told that a draft Strategy would be provided to the August meeting of the Board.

6.4 The Board agreed that there was clear value added by the strategy development and business planning being undertaken and that the resulting documents should be 'living' documents that were meaningful and regularly used.

7. EU Referendum – MB(16/17)18

7.1 The Board heard that the Agency had undertaken planning and preparation in the event of a 'Brexit' outcome. Following the decision the Agency had published a message for EU students. At present the funding for new students for 2017/18 onwards was still being clarified with Scottish Government.

7.2 The Board heard that the Agency was supporting Scottish Government policy colleagues by providing information on the different schemes and articulation of EU students, affected by the Brexit result. This included the range of different scenarios and corresponding possible numbers impacted.

7.3 The Board noted that the Agency already had contingencies in place for 2017/18 and that an update would also be provided to the Strategic Board.

The Board paused for a comfort break 11:30-11:40

8. Student Funding Delivery Project Update – MB(16/17)19

8.1 The Board heard that the project had progressed since the paper had been written. In particular the higher education policy requirements for 2017/18 had now been confirmed and that health policy discussions were underway but that no major changes were expected in that area.

8.2 The Board noted that the new student application portal was now undergoing widespread user testing.

8.3 The Board noted that Mark Walker from Edinburgh College had been included on the project board to provide customer / user input.

8.4 The Board discussed the current policy ambitions and landscape of Higher Education funding. The Board agreed it was important that the Agency manage the risks associated with the scale of changes that may be made to policy and the expectations of how quickly changes could be implemented to the Agency's systems.

8.5 The Chief Executive advised that the priority was to deliver a fit for purpose system that was an improvement on the current system. Until this was achieved the system would not go live.

9. HR Quarterly Report – MB(16/17)20

9.1 The Board discussed the sickness absence figures and what changes could be made to make the figures more detailed and meaningful for understanding the underlying causes.

Action: Sandra Bell to explore what changes could be made to make the sickness absence figures more detailed and meaningful for understanding the underlying causes – and include in the next HR report.

9.2 The Board discussed the emerging trend of stress and mental health related absence across the Scottish Government and the work being done to provide appropriate support and training to managers.

9.3 The Board queried the apparent spikes in 'no reason provided' absences for March and December. The spikes were explained as related to how the system records sickness absence reasons only once a staff member returns from a sickness absence. Improving the quality of reporting was being looked at.

9.4 The Board sought clarification on the '11 day trigger' sickness absence policy, and raised concerns about the resulting impact on the Agency's HR resources to administer this policy. The Board heard that the Agency was working to improve the levels of support to enable line managers carry out any appropriate interventions, rather than HR.

9.5 The Board agreed that the level of sickness absence was an acute problem for the Agency and that action planning to reduce absence levels needed to be driven faster than some Scottish Government initiatives were progressing. The Chief Executive asked Sandra to prepare an action plan for discussion at the October meeting of the Board.

Action: Sandra Bell to prepare an Agency action plan for addressing sickness absence levels - for discussion at the October meeting of the Board.

Action: Sandra Bell to update the Board on the progress of the employee assistance programme.

10. Terms of Reference Management Board and Strategic Board – MB(16/17)21

10.1 The Board approved both of the proposed Terms of Reference.

10.2 The Board agreed the Strategic Board would be called the SAAS Advisory Committee and that it would meet four times a year.

10.3 The Board agreed that Management Board would formally be renamed The SAAS Board and that it would meet six times a year.

Action: A revised schedule of Board and Advisory Committee meetings to be issued by the secretariat once agreed.

10.4 The Board discussed the additional need for a Stakeholder Group, and that a proposal for a group would be presented and discussed at a later Board meeting.

10.5 The Board discussed if it was appropriate for delegates to be sent in place of members. The Board agreed that this was acceptable for Board meetings but not for Advisory Committee meetings, apart from in exceptional circumstances.

10.6 The Board discussed the membership of the Advisory Committee and whether the Executive Team members could attend if appropriate.

Action: Paul Lowe to discuss the membership of the Advisory Committee with the Executives and feed back to Kathy.

10.7 . Kathy Patterson confirm that she was meeting with the Chief Nursing Officer to seek her views on the Strategic Board and would report back

10.8 The Board was updated on the progress of the Executive Team Terms of Reference which would come forward for information in due course.

10.9 The Board agreed the next steps for the Agency's governance were to look at the creation of a Stakeholder Engagement Group and then the Terms of Reference for the Transformation Board. It was suggested that an organogram of the SAAS governance structure and how the committees and boards link together would be beneficial in due course.

Philip Whyte from NUSS left the meeting to attend another engagement

11. CIFAS Update – jurisdiction – MB(1/17)22

11.1 Graham Philp updated the Board on the progress being made on securing services from CIFAS. The Board were told that there was an unlikely risk to the Agency of a contract breach occurring that would require a dual trained lawyer as the contract was written in English law.

11.2 The Board were asked to provide their approval to accept this risk and proceed with the agreement.

11.3 The Board noted that there was a possible reputational risk to Scottish Ministers should there be an issue with the contract and that we would seek further advice from the Scottish Government Legal Division (SGLD).

Action: Graham Philp to provide Paul Lowe with a copy of the SGLD advice.

11.4 The Board withheld its approval pending a full health check of the balance of risk and benefits and to seek further advice from SGLD.

Action: Paul Lowe and Graham Philp to meet to discuss the CIFAS agreement.

12. Fraud Update Q4 – MB(16/17)23

12.1 The Board asked how the total loss and loss prevented by SAAS compared to other bodies and received comparisons against the Department of Work and Pensions, Scottish Government and an estimate for the private sector..

12.2 The Board requested that future reports include benchmarking of fraud loss and prevention figures with other organisations.

12.3 The Board asked that future reports include analysis on the cost and return on investment in terms of how much fraud is prevented and recovered.

12.4 The Board noted that the paper had also been seen at the Audit and Risk Committee.

13. Operational Update – Finance – MB(16/17)24

13.1 The Board asked if information was available on the numbers and percentages of fraud cases which had been passed to recoveries and where the debt had been successfully recovered or had been written-off. The Board were told this was recently being monitored and would be provided in future updates.

13.2 . The Board noted the new recoveries process being implemented that meant students who called to advise they received a bursary but have withdrawn would be transferred to the Recoveries Team to make immediate repayment. The process will

be efficient, avoid later re-work of the case, avoid the possibility of debt recovery action at a later stage and remove the possibility for the student to get into debt.

Action: Recoveries Team to prepare an example Quarterly Recoveries Report and share with Paul Lowe.

14. Operational Update – Operations – MB(16/17)25

14.1 The Board heard that because of the pace of work the figures in the paper were now out-dated. The revised figures presented were:

- 12,000 items left in the Guarantee Group which were due to be completed by August and ahead of the release of exam results.
- 5,000 additional pieces of correspondence had been processed compared to the previous year.

14.2 The Board asked what had caused the increase in correspondence volume. They were told that the reasons were not yet clear, and would be monitored – it was speculated that a possible cause was the increased volume of processed applications this year, as opposed to the same point last year, which was generating the additional mail.

14.3 Paul Lowe thanked Operations for how well this session had progressed so far, compared to the previous year.

15. Operational Update – Governance – MB(16/17)26

15.1 The Board noted that the staffing and responsibilities of the area would change following Roz McCracken's departure and re-structuring in that area. ; It had been agreed that Business Continuity Planning would move to Corporate Services, and Procurement to Finance.

16. Operational Update – Policy and Engagement – MB(16/17)27

16.1 The Board heard that SAAS was currently seeking clarification on commitments made by the Scottish Government on widening access in order to ensure any changes could be implemented for the 2017/18 session.

16.2 The Board noted that a decision on the implementation of the Judicial Review on the age cap for student support was due shortly, and that it was likely to be implemented from November for the 2016/17 session.

16.3 The Board discussed the implications of how the revised age policy may be applied retrospectively.

16.4 The Board noted the 23.8% rise in appeals and were informed that this was students challenging the Agency on funding being denied on grounds of residence or previous study.

16.5 Paul Lowe highlighted that owing to the small numbers involved the 23.8% figure could appear more alarming than warranted, and that when figures pertaining to small numbers were being presented in papers they should not just be given as percentages.

17. Operational Update – Corporate Services (MB16/17)28

17.1 The Board noted the success of the improvements to the PDF loader.

17.2 The Board noted the work being done by the Service Team to develop the service catalogue.

17.3 The Board discussed the risks and benefits of the webMethods upgrade.

17.4 The figures relating to service desk performance were considered by the Board.

Action: Keith Jenkinson to provide the Board with examples of what was covered by the different categories of Service Desk calls – particularly “Incidents Information” and “Other”.

17.5 The Board asked about the schedule of change and were told that this was in progress.

17.6 The Board noted that the Agency was exploring whether it needed to establish its own Health and Safety committee .

18. A.O.B

18.1 The Board members all thanked Roz McCracken for her contribution to the Agency and wished her well in her new role.

18.2 The Board agreed the next SAAS Board meetings would occur in August and October.

Graham Bissell
Acting Secretary

Annex A – Action tracker

No	Date raised	Action Point	Action Officer	Due Date	Status
15/1 6 C/F	Mar-16	Report to the board on next quarter's HR information and provide a paper on implementation of an approach to survey leavers	Sandra Bell	Nov-16	Exit-interview process in place from June -16, Update on initial results will be provided to the Board later this year.
15/1 6 C/F	Mar-16	Update the Terms of Reference and feedback to the Board	Roz McCracken/ Kathy Patterson	Jul-16	Complete - provided to the July Board.
1	25/05/16	Roz McCracken to distribute the complete Action Tracker along with the Board minutes.	Roz McCracken	Jul-16	Complete - provided to the July Board.
2	25/05/16	Anne Ward to report back to the Board in due course with details of the destinations of those resigning.	Anne Ward	Jul-16	Complete - all are leaving the SG, monitoring to be incorporated in Quarterly HR reports
4	25/05/16	Mike Chalmers to provide the Board with the date that the follow-up review will be undertaken.	Mike Chalmers	Aug-17	The date of the follow up review will be confirmed at the August Board.
6	25/05/16	All Board members to provide any outstanding feedback on terms of reference to Roz McCracken.	Roz McCracken - All Board Members	01-Jun-16	Complete
7	25/05/16	Roz McCracken to provide NUSS with a deadline for providing feedback on terms of reference.	Roz McCracken	10-Jun-16	Complete – NUSS stated at the July Board that they were content with the Terms of Reference.
8	25/05/16	Action: Members of the board were asked to provide any input or comments on the topic of internal communications to Roz McCracken within two weeks.	Roz McCracken - All Board Members	10 June 2016	No responses received – discussion on Internal Communications to be taken forward by Paul Lowe and Julie Sinclair
9	25/05/16	Keith Jenkinson to provide a plan of timescales for	Keith Jenkinson	Jul-16	Complete - The July paper

		the activities detailed in the MB(16/17)13 paper (Corporate Services update) for the next Board meeting.			reflects the current position and in it have sought to give an indication of likely timelines and can clarify further at meeting.
10	25/05/16	Roz McCracken to include a covering note with future Balanced Scorecards that provides a narrative and analysis of key points and figures.	Roz McCracken	Jul-16	Complete – provided for Q4/2015 and Q1/2016 Scorecard
11	25/05/16	Roz McCracken to issue a reminder to Board members about any outstanding actions from the Balanced Scorecard meeting.	Roz McCracken	Jul-16	Complete - Reminder issued with deadline. No response received. Roz and Paul to meet to look at the current status of the discussions.
12	20/05/16	All future Board minutes to contain a list of current Actions as an Annex at the back of the minutes	Secretariat	NA	
13	20/05/16	Monitoring of staff leavers' destinations to be incorporated into the quarterly HR report	Sandra Bell	Oct-16	
14	20/05/16	Paul Lowe to meet with Julie Sinclair to discuss how internal communications audit should be taken forward	Paul Lowe, Julie Sinclair,	Aug-16	
15	20/05/16	Roz McCracken and Paul Lowe to meet to look at the current status of the discussions around the Balance Scorecard review.	Paul Lowe, Roz McCracken	Jul-16	
16	20/05/16	Executive Team to discuss possible equipment and short-term initiatives in the event of budget being available later in the year.	Executive Team	Oct-16	
17	20/05/16	Executive Team to review the information and measures contained in the balanced scorecard	Executive Team	Sep-16	
18	20/05/16	Sandra Bell to explore what changes could be made to make the sickness absence figures more detailed and meaningful for understanding the	Sandra Bell	Oct-16	

		underlying causes – include in next HR report			
19	20/05/16	Sandra Bell to prepare an Agency action plan for addressing sickness absence levels - for discussion at the October meeting of the Board	Sandra Bell	Oct-16	
20	20/05/16	Sandra Bell to update the Board on the progress of the employee assistance programme.	Sandra Bell	Oct-16	
21	20/05/16	A revised schedule of Board and Advisory Committee meetings to be issued by the secretariat once agreed.	Secretariat	Aug-16	
22	20/05/16	Paul Lowe to discuss the membership of the Advisory Committee with the Executives and feed back to Kathy Patterson	Paul Lowe, Executive Team	Aug-16	
23	20/05/16	Graham Philp to provide Paul Lowe with a copy of the SGLD advice	Graham Philp	Jul-16	
24	20/05/16	Paul Lowe and Graham Philp to meet to discuss the CIFAS agreement.	Graham Philp	Jul/ Aug-16	
25	20/05/16	Recoveries Team to prepare an example Quarterly Recoveries Report and share with Paul Lowe	Sian Balfour	Aug-16	
26	20/05/16	Keith Jenkinson to provide the Board with examples of what was covered by the different categories of Service Desk calls – particularly “Incidents Information” and “Other”.	Keith Jenkinson	Aug-16	
27	20/05/16	Create and share an Organogram of new Corporate Governance structures	Corporate Office	Sep/ Oct - 16	