

Minutes

Collection of Student Loans Consultation Group

Tuesday 27 February 2018 (11:00-13:00)

Room B1.23, Department for Education, Sanctuary Buildings, Great Smith Street, London, SW1P 3BT

Attendees	Paul Crooks (HMRC) Shell Makwana (HMRC) Camilla Reinert (DfE)	Ann Elmer (ATT) Norman Green (BCS Payroll Group) Peter Wilkinson (ICAEW)
Dialling in	Neil Nicholas (HMRC – meeting chair) Alex Lawrence (HMRC) Andrew Busby (DfE) Jamie Law (SLC) Anne Johnstone (HMRC – secretariat)	Claire Thackaberry (LITRG) Matthew Brown (CIOT) Samantha Mann (CIPP) Angela Adams (CIPP)
Apologies	Chris Jones (DA Wales) Geraldine Campbell (DA Scotland) Mash Patel (HMRC)	Linda Pullan (Payroll Alliance) Kate Upcraft (BCS Payroll Group)
1. Introduction and opening remarks		
Neil Nicholas	Neil Nicholas welcomed everyone to the meeting and confirmed attendees.	
2. HMRC process update to include		
<ul style="list-style-type: none"> • More Frequent Data Sharing (MFDS) • Postgraduate Loans 		
Paul Crooks	<p>More Frequent Data Sharing HMRC are working closely with the Student Loans Company (SLC) to review the very high level requirements. As part of their discovery sessions the SLC are looking at requirements needed for their systems and HMRC will work with them to bottom out these requirements. Everything remains on target for April 2019 delivery.</p> <p>The representatives raised their concern around the quality of the data being passed to the SLC which could cause problems for employers. HMRC confirmed that the information provided by employers will be the information which is passed to the SLC. A further update will be provided at the next meeting.</p>	

	<p>Samantha Mann asked if it would be helpful if the representatives could get feedback from user groups around the quality of the RTI data and what had previously gone wrong with this.</p> <p>HMRC confirmed that it would be really helpful to understand from employers what had previously gone wrong with RTI data to cross reference this against HMRC's findings.</p> <p>Postgraduate Loans HMRC want forms being published to show clearly which box the customer has to tick; not only postgraduate loans but also the other elements (doctoral loans and part time maintenance loans). The Student Finance team are working with the Customer Research team as part of the project. A Customer Immersion session scheduled for 27 February 2018 has been postponed due to the adverse weather; however will be rescheduled. This session will take customers through the first batch of forms.</p> <p>Following the rescheduled immersion session the forms will be baselined and circulated to the representatives on this group for their comments. The representatives agreed that a two week window for their review was sufficient although there are a lot of consultations at this time and several more in the pipeline.</p> <p>The Software Development team have been consulted as part of the project to ensure everything is in place to start repayments from 6 April 2019.</p>	
<p>3. Policy update to include</p> <ul style="list-style-type: none"> • Part time maintenance loans • Healthcare workers • Threshold increase in Scotland 		
<p>Shell Makwana</p>	<p>Guidance and comms work for the following policy areas will be aligned, as much as is possible, with the comms strategy to implement postgraduate masters.</p> <ul style="list-style-type: none"> • Doctoral Loans • Part time Maintenance Loans • Healthcare Workers <p>These new policy initiatives will not result in new processes or plan types from an HMRC perspective but employers and borrowers need to be aware of these changes. The Student Finance team will ensure that all these elements are covered in internal and external guidance as part of our BAU work.</p> <p>Threshold increase in Scotland In September 2017 the Scottish Government announced that from 2021 they would increase plan 1 threshold to £21K; however shortly after that commitment England announced raising the threshold to £25K. Following this announcement by England, Scotland have been reviewing their options for raising the threshold. The current position is that analysis and advice is being developed to inform Scottish Ministers of the options around a new threshold. When a decision has been made the impacts for HMRC will be reviewed. This impact could</p>	

	mean a new plan type is created and which will have to be negotiated through the tax system. The group will be kept updated on developments.	
4. HMRC Live Service Update		
Alex Lawrence	<ul style="list-style-type: none"> From a service perspective on student loans transformation, there is ongoing development work to get business readiness in place to ensure that when re-platforming lands there is little or no impact on operational delivery to customers. A robotic solution has been implemented for one of our processes. Exchanging information between HMRC and SLC is a resource intensive process so recently an automated solution using robotics has been introduced. <p>The process which has been automated is where SLC ask HMRC to verify certain pieces of information to support work around issuing repayments to individuals who have over paid their loan. Automation is working very well enabling increased traffic flows through the portal. Further developments are being explored.</p> <ul style="list-style-type: none"> HMRC are approaching the end of year when they have to report Key Performance Indicator results to the Department for Education (DfE). The current position is that HMRC expect to meet all targets. Although there is still the SA peak to come which could impact on the results, this is being closely monitored. From a live service perspective everything is progressing well towards the end of year. 	
5. Student Loans Company (SLC) update to include		
<ul style="list-style-type: none"> Performance against Key Performance Indicators (KPI) Digital Migration update 		
Jamie Law	<p>Performance against Key Performance Indicators SLC remains on target to achieve all their Student Loan Repayment KPI's for 2017-2018.</p> <p>Digital Repayment Service The first service to be delivered is most likely going to be Make a Payment - we want to secure the large volumes of payments we receive each month.</p> <p>We have done customer research with overseas customers and the idea is by delivering the functionality for them we'll deliver for UK at the same time.</p> <p>Overseas customers have the most complex needs, therefore important to tackle them first. We're also expecting to bring all products and plans in scope.</p> <p>We have continued to work with Gov Pay and we believe that it is the right thing to do use their service, however all options will be considered as part of Inception to make sure we go with the right choice.</p>	

	<p>Alpha sessions still outstanding on delivery of the new repayment portal. Working with GDS to determine their availability to carry out the assessment.</p> <p>This is expected to take place within the next six weeks. Once the service is fully launched Jamie Law and Katherine Maguire will attend one of our Group's meetings to provide an overview of progress. There are currently 350K Confirmation of Customer Details (COCD) forms being processed manually. The SLC want to get this service fully online moving into 2018-2019. In November 2017 an extended testing phase of the UK service was launched. In November and December 2017 30% of submissions were made online this increased to 40% in January and February 2018. The online service is much quicker and easier for the customer to use and once fully implemented should show a significant increase in the number of submissions being made online.</p> <p>The introduction of a similar service for overseas customer is planned for March 2018. The challenge on this will be supporting customers with evidence uploads. Information and guidance will have to be clear and available to customers at the right time.</p> <p>SLC's newly appointed Repayment Strategy Director (Steven Darling) has requested a written proposal on how to increase digital uptake. This will include improving the the customer journey for overseas customers and promoting the service on social media once it is live on Gov.uk. There could be a real opportunity to capitalise on social media that links to internal and external sources giving information to customers to enable them to repay their loan.</p> <p>In the longer term the move to an 'app' is feasible; however the immediate focus needs to be on having a robust repayment service to deliver.</p>	
<p>6. Department for Education (DfE) update to include</p> <ul style="list-style-type: none"> • Review of student finance announcement • Progress on Regulation Changes 		
<p>Andrew Busby Camilla Reinert</p>	<p>Review of student finance announcement The review of 'Post-18 Education' announced by the Government has launched. The Terms of Reference define the review's aims. The intention is for the review to report in the early part of 2019 with an interim report after summer recess in Autumn 2018. Any updates will be shared with this Group.</p> <p>Action – Anne Johnstone to send the Group a link to the review.</p> <p>Regulation changes The amendments to the Education (Student Loans) (Repayment) Regulations which will implement the changes to the student loan repayment threshold will be laid in Parliament week commencing 5 March 2018. The increased threshold will come into force as planned from the 2018/19 tax year.</p>	<p>Anne Johnstone</p>

7. New action point to be raised		
Neil Nicholas	<p>Employer Prompts</p> <p>As part of student loans transformation (replatforming) a process will be put in place to help employers when an employee ticks the wrong plan type. When HMRC receives in year submissions from employers post April 2018, these will be checked and compared to data held on HMRC's system. If the data doesn't match up a GNS electronic message (prompt) will be sent to employers to let them know and help them apply the correct plan type. This will help to stop overpayments/underpayments and ensure borrowers are paying the correct amount for subsequent repayments.</p> <p>In addition to this prompt an SL1 will be issued at end of year as normal.</p> <p>Samantha Mann asked what action an employer should take if they don't receive an SL1 which identifies the correct plan type as she understood the GNS message doesn't have legal authority to instruct the employer to make the payment.</p> <p>HMRC hope that when the first prompt is sent out the employer will apply the correct plan; however if they don't a second prompt will be sent out. If, after the second prompt, the employer still doesn't make the correct deductions then a work item will be created for East Kilbride Student Loans Unit (EKSLU). EKSLU will then contact the employer to discuss how to correct this so that in-year the employee can get on the correct plan type as early as possible.</p> <p>Kate Upcraft had previously asked if there was a reason why HMRC can't reissue an SL1 if the plan type is wrong instead of issuing a GNS message. Currently RTI data is only received on an annual basis therefore checks can only be made at the end of year when validation is carried out. Sending a GNS messages in-year helps employers collect against the right plan type and gets borrowers into repayment earlier. As discussed the third part of the GNS prompt is to make contact to the employer and the following action maybe to re-issue the start notice.</p> <p>Action – Paul Crooks to advise how many corrections employers make through the year and at end of year.</p>	Paul Crooks
8. Review of Action Points		
1/051217	<p>Business Email - The Student Finance team are looking at using business email as a communications tool. Initially this will be used to alert employers to employer prompts by providing guidance on that service. Then looking to use as communications tool with employers going forward; for example communicating any changes to postgraduate loans.</p> <p>5.12.17 – Neil Nicholas to confirm to the Group what population business email currently reaches.</p> <p>22.12.17 – Information sent to Group.</p> <p>27.2.18 - Closed</p>	Neil Nicholas

2/051217	<p>Loan Sale – In October 2017 Jo Johnson (Minister for Universities, Science, Research and Innovation) announced in Parliament that the Government was resuming the process required to sell part of the “plan 1” (i.e. pre-2012) English student loan book, as previously announced in February 2017.</p> <p>5.12.17 – Link to Written Ministerial Statement to be circulated to the Group.</p> <p>7.12.17 – Link sent to Group.</p> <p>27.2.18 - Closed</p>	Andrew Busby Anne Johnstone
3/051217	<p>Employer Prompts – Representatives asked if the employer prompts benefits realisation paper could be shared with them.</p> <p>5.12.17 –Department for Education agreed that the main facts from the paper could be shared. Paul Crooks to extract the relevant facts and issue to the Group.</p> <p>27.2.18 – Paul Crooks will extract relevant facts and issue to the Group.</p>	Paul Crooks Anne Johnstone
4/051217	<p>Property and Trading Allowance – Can the position with the property and trading allowances in respect of student loan repayments be confirmed? LITRG have been involved in reviewing the draft guidance and the student loans section is currently blank.</p> <p>5.12.17 - Shell Makwana to research why this section is blank.</p> <p>14.2.18 – It was confirmed that If the borrower declares use of the new property allowance, ‘unearned income’ for SL purposes will include property income after the new property allowance has been deducted. Claire Thackaberry advised that this action point could be closed.</p> <p>27.2.18 – Closed</p>	Shell Makwana
5/051217	<p>Repayment of Loans Direct to SLC - It was agreed that there would be a request to update Gov.Uk website to explain to borrowers what they should do and who they should contact if they have been repaying their loans directly to the SLC and then return to the UK and are required to complete a Self-Assessment tax return.</p> <p>5.12.17 - Anne Johnstone to discuss with Student Finance team Guidance Expert and provide a reply to LITRG.</p> <p>15.2.18 – A detailed response has been provided to Claire Thackaberry. Taxes contact centre guidance will be improved to ensure these customers are dealt with in the right way. EKSLU staff guidance is already in place and the advisers on this unit know how to deal with these cases. The student finance team are currently work with SLC to try to speed up the process of reducing a customer’s liability where SLC instruct HMRC that they are not due to repay a certain amount. Gov.uk have been requested to update the relevant pages and SLC have been requested to update their website if they think this is necessary.</p> <p>27.2.18 – Action point to be kept open until confirmation that amendments have been made to the relevant guidance.</p>	Anne Johnstone

6/051217	<p>Repayment of Loans Direct to SLC - It was agreed that there would be a request to update Gov.Uk website to explain to borrowers what they should do and who they should contact if they have been repaying their loans directly to the SLC and then return to the UK and are required to complete a Self-Assessment tax return.</p> <p>5.12.17 - Anne Johnstone to research if extra training could be provided at the East Kilbride Student Loans Unit (EKSLU) to make staff aware of what to do in this scenario.</p> <p>15.2.18 – HMRC have reviewed staff guidance and it has been confirmed that advisers in EKSLU know how to deal with these cases. It is therefore felt that additional training is not required.</p> <p>27.2.18 - Closed</p>	Anne Johnstone
1/070317	<p>Employer Prompts – As part of the student loans transformation programme HMRC want to make improvements to the current process. Initially a large number of prompts were issued so HMRC want to review these statistics with a view to planning communications in anticipation of this peak in 2017-2018.</p> <p>Action - HMRC would like the representatives on this Group to provide feedback on the employer prompt process as this would provide a really useful insight into the common mistakes being made and could be used as the basis with which to improve communications and guidance in the future.</p> <p>7.9.17 – Ongoing action point – HMRC interested in any feedback the Group may get from their clients.</p> <p>5.12.17 – Carry Forward</p> <p>27.2.18 – Action point can be closed; however any feedback from the Group on employer prompts or other processes will be welcomed.</p> <p>Closed</p>	Employer Representatives
2/061216	<p>SLC Digital Online Repayment Portal – SLC digital online repayment team are building a new repayment portal and the first version should be completed by October 2017. The plan is to let customers know in writing that they can submit details online. There will be a small pilot in April 2017 with a view to running online and paper.</p> <p>Kate Upcraft asked if there could be a link to the the online portal from the Personal Tax Account to allow borrowers to update their details.</p> <p>Action – Jamie Law will check if this is something that can be incorporated into the portal.</p> <p>1.3.17 - SLC have had discussions with HMRC about what they would like to include for Repayment within the customer’s Digital Tax Account but haven’t yet gone into detail about what that might include. A link to the Online COCD will form part of future discussions.</p> <p>7.9.17 – Ongoing action point until there is more detail on what might be included in the customer’s Digital Tax Account</p> <p>5.12.17 – Ongoing action point. The Student Finance team will continue to explore as the Digital Tax Account service evolves.</p> <p>27.2.18 – Carry Forward</p>	Jamie Law

2/280616	<p>Student Loan Tables on Gov.uk are not in PDF format</p> <p>It's not always possible to look at the website and current format is not printer friendly. There has been no discussion at this Group or any advance information that the PDF format would not be available.</p> <p>Action – Anne Johnstone will follow up with Guidance specialist to find out why the format has changed when PDF was available in previous years.</p> <p>26.7.16 - The current Gov.uk strategy is to convert all guidance to HTML. They will no longer support publication of guidance in PDF format. As part of this programme, helpbooks such as the E17 and the SL3 deduction tables have been converted to HTML, and the programme will continue in 2016-2017 with the conversion of the Student Loan factsheets CSL1, CSL1A and CSL2.</p> <p>6.9.16 – Employer reps are still concerned about this as not everyone has access to the internet or they don't know the URL to be able to find the information to keep up to date with changes. HMRC are continuing to feedback the concerns of this Group.</p> <p>15.11.16 - Most employers deal with HMRC online. The small number who do not have online access can apply for exemption by writing to HMRC, and they can access guidance by contacting the Employer's Helpline. We are continuing to use feedback to improve our online content, making information easier to search for and find.</p> <p>6.12.16 – The Group requested that HMRC pursue whether the layout in the HTML format could either be published as 3 columns (same as pdf) or if the tables could be published separately.</p> <p>2.3.17 – Student Finance Guidance team continue to pursue this with CDIO to see if they can influence the change requested by the Group.</p> <p>7.3.17 – Student Finance team will continue to pursue and employer representatives will raise with GDS.</p> <p>7.9.17 – HMRC to continue to pursue if the tables can be made more 'user friendly' and more accessible.</p> <p>5.12.17 – HMRC to pursue to find out if tables can be printed in three columns rather than one column.</p> <p>15.2.18 – Student Finance team have asked CDIO if it's possible to split into columns. The request has been submitted along with the annual updating and we are awaiting a decision.</p> <p>27.2.18 – Student Finance team will continue to follow up on this and report progress at next meeting.</p>	Anne Johnstone
9. Any Other Business		
Neil Nicholas	<p>CSL Consultation Group:</p> <ul style="list-style-type: none"> • Terms of Reference (ToR) – as part of the documentation for this meeting the ToR had been issued to the Group. This has been reviewed internally by HMRC and updated. <p>Action – Representatives to review the ToR and forward any suggested amendments to Anne Johnstone.</p> <ul style="list-style-type: none"> • Future meetings <ul style="list-style-type: none"> ○ The Postgraduate Loan project team will be invited to the meeting on 22 May 2018 to provide more update on introducing postgraduate loan repayments into the student loans repayment system. This will include feedback from the planned customer immersion session. 	Employer Representatives

	<ul style="list-style-type: none"> ○ Provisional plan is to have Jamie Law and Katherine Maguire attend the meeting on 18 September 2018 to provide a more detailed update on SLC's digital initiatives. 		
Date and venue of meetings in 2018 (11:00 – 13:00)			
	Date	Location	
Tuesday	22 May	London	Room B1.04, Sanctuary Buildings
Tuesday	18 September	London (venue to be advised)	
Tuesday	4 December	London (venue to be advised)	