

CORPORATE  
AND BUSINESS  
PLAN  
FY14-15 TO FY16-17



**Student**  
Loans Company  
[www.slc.co.uk](http://www.slc.co.uk)



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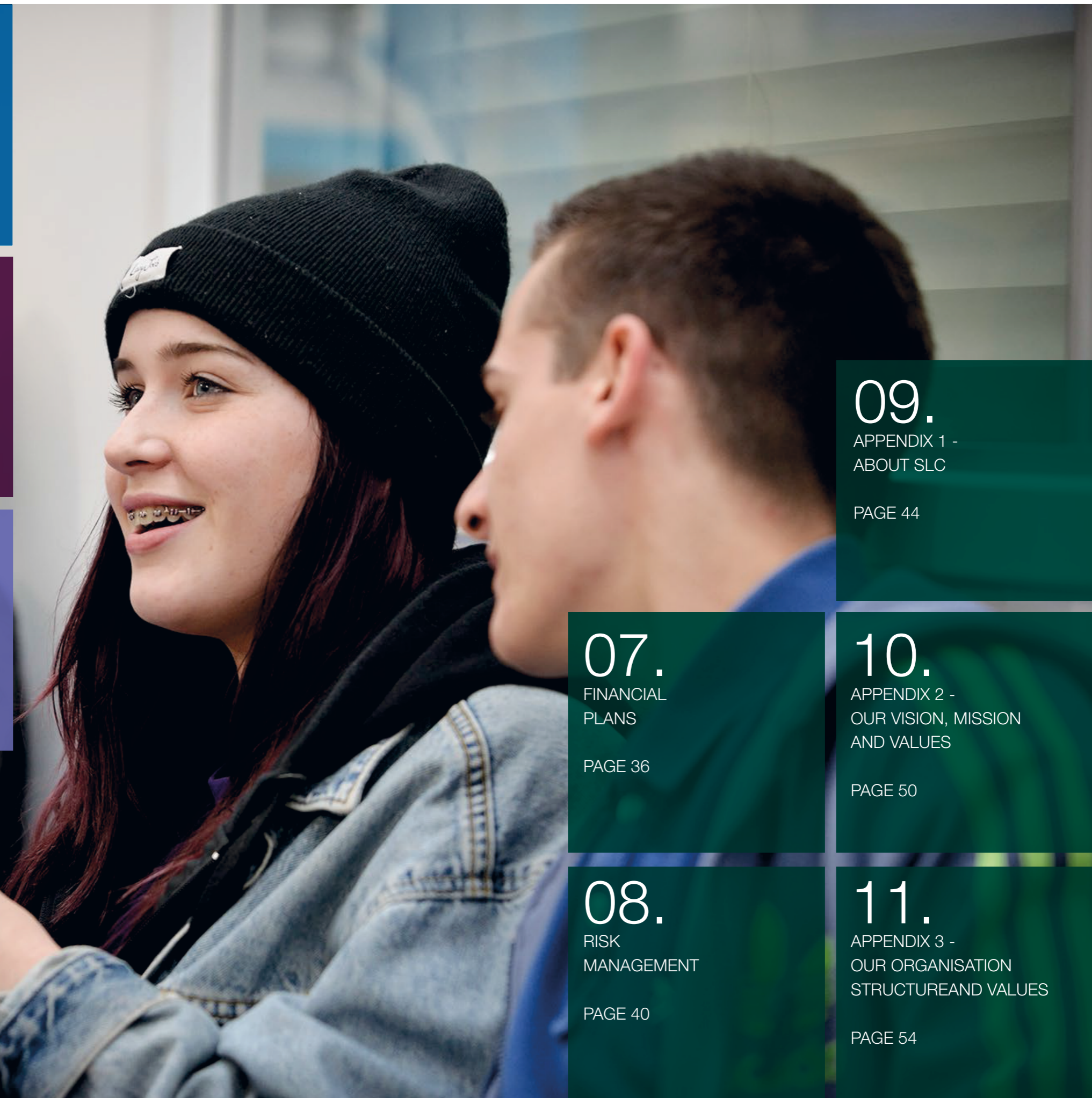
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# 01.

## CHAIRMAN'S STATEMENT & CHIEF EXECUTIVE FOREWORD



### 1.1 CHAIRMAN'S STATEMENT



Joining the Student Loans Company (SLC) now is a hugely exciting opportunity as the organisation undergoes a substantial period of

change. Over the 25 years since SLC was established, the funding of Higher Education activity has changed significantly.

The remit is huge – one that supports around 1.6 million student finance applications a year, pays out £6.6 billion in maintenance loans and grants and £5.9 billion to higher and further education providers and manages a loan book with a value of £62 billion. The growing value of the loan book is a key

#### SLC'S VISION IS TO BE VALUED AS A DIGITAL, CUSTOMER-FOCUSED CENTRE OF EXCELLENCE

focus for the organisation. The loan book is becoming a significant national asset. Increasing repayment yield is an important priority. The Company has increasing customer and transaction volumes which are expected to grow further and customer demands are becoming more complex and varied. Delivery of services which meet these needs is critical to the company's success.

SLC's Vision is to be valued as a digital, customer-focused centre of excellence where all products are available online, customers will help design services and drive continuous improvement and there will be a significant and sustained improvement in how satisfied they are with the service the Company

provides. SLC aim to be regarded as a centre of excellence – running a best in class, efficient and effective assess, pay and repay service and capable of designing and building new services.

SLC has a unique opportunity to achieve this Vision through its Transformation Programme. The programme will replace aging and inflexible core systems, drive business, technological and cultural change and will improve the efficiency and effectiveness of the organisation. Successful completion of the Transformation Programme will provide SLC with exciting opportunities to grow the business outwith its current remit through creating a platform for expansion of services.

The associated investment will put SLC at the centre of the Government's digital delivery agenda and is a major step to ensuring that we offer a modern, flexible, digital service for all our customers. The Company has already made progress on this journey, becoming an exemplar Government Digital Service organisation – and the first to have live products available to customers.

SLC plays a central role in delivering student finance across the UK to students, higher and further education providers. Continuing to deliver these services whilst they fundamentally change presents an exciting and challenging future for the organisation, one I look forward to as the new Chairman. I am fortunate enough to have been left a strong legacy by my predecessor, Ed Smith, which I thank him for and look forward to working with everyone to build on this going forward. I would also like to thank Professor Dame Glynis Breakwell for her work as interim Chair prior to my appointment.

The Board has a vital and important role in ensuring SLC deliver against their commitments and objectives, focusing on what's important, and I am confident that the Company has what it takes to achieve what it has set out to do in this plan.





The past year has been another successful one for the Company.

In April 2013 we launched our Business Plan for the year which set

out very clearly what the organisation needed to achieve and we defined our Mission and Vision – what we're here to do in the present and what we want to be in the future.

We have worked hard to deliver our Mission by providing secure, accurate and efficient assessment, payment and repayment services. There have been many examples of where colleagues working really well together, being adaptable, going the 'extra mile', has helped us achieve great things for our customers. We have embarked on a Transformation journey that will, over the next two to three years, modernise SLC - so that we can become the digital, customer focused, centre of excellence we set out in our Vision. The business case for the funding of our Transformation programme was approved by the SLC Main Board, BIS, the Cabinet Office and Treasury. This investment and the programme will be the key in aiding us to achieve our Vision

Securing this investment, particularly in the current financial environment, is a significant achievement and reflects the confidence that our stakeholders have in our ability to deliver. With that investment however, comes an expectation not only to improve our processes, services and customer satisfaction, but to become a more efficient organisation, truly excellent in all that we do. The benefits realised as a result of the Transformation Programme is part of the journey in becoming a more efficient organisation, we still need to continually

review what we do and how we do it, delivering our current services in a more efficient way.

We have a big agenda this year.

Through more effective planning we are now able to set out what we need to achieve both over the next three years and forthcoming year. This is important as it allows us to take a more strategic, forward look to the future, ensuring the decisions we take in the short term are informed by our medium term objectives. Our Corporate Plan sets the medium to longer term direction and strategy for the organisation and will be updated each year to cover a rolling three year period.

**NONE OF WHAT WE ARE TRYING TO ACHIEVE CAN BE DONE WITHOUT THE COMMITMENT AND SKILLS OF OUR PEOPLE**

Our Business Plan focuses on the shorter term in-year specific objectives and initiatives and therefore covers a one year period.

None of what we are trying to achieve can be done without the commitment and skills of our people. We will invest in our people to enable them to deliver the best possible, customer focused services. We have set out clearly the values which shape the attitude, approach and ways of working we expect to see in our culture.

Through our People Insight survey we will understand what drives the engagement and motivation of our staff and take steps to make positive improvements. We have not made as much progress in this area as we would have liked, and this will therefore be an early priority for the Executive Leadership Team.

It's also important that we have the right resources in the right place to enable us to achieve our objectives. We have put in place a new leaner Executive Leadership Team structure which is the continuation of our journey to align the organisation, resources, processes and culture behind its Vision and Mission and importantly, rebalancing to shift the focus and more evenly resource back office and front office functions. The new structure will also bring focus and additional investment to priority areas including Repayments and Fraud and Error reduction, reflecting the growing importance in these areas in light of the growing size of the loan book and the growth in new provider and customer bases.

We have an extremely exciting few years ahead as we transform. We are being asked to deliver more with less funding whilst investing wisely in the right areas of our business. As we transform the organisation, we will need fewer resources to deliver our current service portfolio and we have made a strong commitment that we will protect our permanent staff, redeploying and retraining where we can. During this time, it's important to recognise that change can be unsettling but we have a bright future ahead of us.

The changes we are making as an organisation will ultimately place SLC in a strong position to seek out and explore opportunities for growth as we will have developed the platform and capability required to expand to other assessment, payment and repayment services and grow the business. New services and products will provide new and different opportunities for our people both during and after this period of change.





# 02.

## EXECUTIVE SUMMARY

GOOD ORGANISATIONS HAVE A STRONG SENSE OF PURPOSE, SET OUT IN THEIR MISSION AND VISION - WHY THEY EXIST TODAY AND WHAT THEY WANT TO BE IN THE FUTURE. IT IS IMPORTANT THAT EFFECTIVE MECHANISMS ARE IN PLACE THROUGHOUT THE ORGANISATION TO SUPPORT THE MISSION AND VISION.

These mechanisms ensure that plans are in place which align activity, provide clarity of direction, support decision making and prioritisation and ensures effective and efficient use of resources. Underpinning all of this, is a set of Values which shape the attitude, approach and positive ways of working we seek to embed in our organisational culture.



## 02. EXECUTIVE SUMMARY

In the FY13-14 Business Plan we set out a Leadership priority to “Create an effective, integrated planning framework for Corporate, Business and Financial Planning”. Development of this 3 year Corporate Plan and 1 year Business Plan is the latest step toward aligning the organisation behind its Mission and Vision and ensuring we focus on what is important.

To support the continuation of this journey, a new Executive Leadership Team structure took effect from 1st April 2014. The structure is shown in Appendix 3. This structure rebalances the organisation to shift the focus and resource more evenly between and back office and front office functions and bringing focus and additional investment to priority areas including Repayments and increasing the yield of the loan book and Fraud and Error reduction. Planning in SLC has traditionally focused on the short term, in year activity. This year is the first time in recent years that we have produced a 3 year Corporate Plan.

The Corporate Plan contains the medium term strategic objectives covering the period FY14-15 to FY16-17.

The plan:

- Sets out what we do to achieve our Vision of being valued as a Digital, Customer Focused, Centre of Excellence;
- Places our Transformation Programme as the primary means by which we will achieve our Vision; and
- Contributes to the delivery of key strategic priorities and objectives of our Government sponsors

The Business Plan contains the detailed objectives covering the period FY14-15.

The plan:

- Sets out our 4 Key Business Objectives and detailed supporting objectives under each of these; and
- Supports the medium term objectives in the Corporate Plan by ensuring in year objectives and initiatives contribute toward these and move us forward towards achieving our Vision; and
- Ensures we remain focused on our core business and functions by setting out in year objectives which support delivery of the Mission



The FY14-15 Key Business Objectives are:

1. **Progressing towards our Vision** - “Through our Transformation programme we will deliver business, technical and organisational change in our drive to become a digital, customer focused, centre of excellence”
2. **Delivering the Mission** - “By delivering safe and accurate services for our customers and ensuring we keep our systems and processes running smoothly whilst we change SLC”
3. **Managing our People** - “By investing in our people and equipping them to deliver a customer focused service”
4. **Managing Public Money** - “By using our government sponsors money wisely and ensuring value for money in all that we do”

These objectives reflect what’s important for us to deliver as an organisation throughout the next year. Our Transformation Programme will assist us in moving towards our **Vision** and delivering year 1 of our 3 year Corporate Plan, realising the benefits set out in the Transformation Full Business Case.

We will deliver our **Mission**, ensuring we support our core functions of assess, pay and repay. We will continue to deliver a safe service for our customers whilst we transform. We have renewed and redoubled our focus and efforts on our Repayments service, a key priority being to work with HMRC and BIS to increase the yield and value of the loan book and contributing thereby to our commitment to manage public money responsibly.

Our **People** are critical to our success and underpin everything we do. We will ensure our staff have the skills and capabilities required to deliver services for our customers and stakeholders both now and in the future.

Now more than ever it’s important we manage **Money** responsibly. We will continually review and improve how we deliver services, ensuring we deliver value for money for our Government sponsors. We will work to become a more efficient and effective organisation by making improvements in addition to those achieved through the Transformation programme. We will also focus on reducing fraud and error throughout our services by delivering initiatives as part of our Fraud and Error Reduction Strategy, thereby protecting public funds.

The full plan will be used to communicate our priorities and objectives externally, specifically our Government sponsors and other stakeholders. A summary version will exist for internal communications to our staff.

Effective performance management allows us to track progress against our objectives. Performance will be measured and managed at various levels throughout the organisation. A line of sight will run from the Corporate and Business Plans, Directorate level plans,

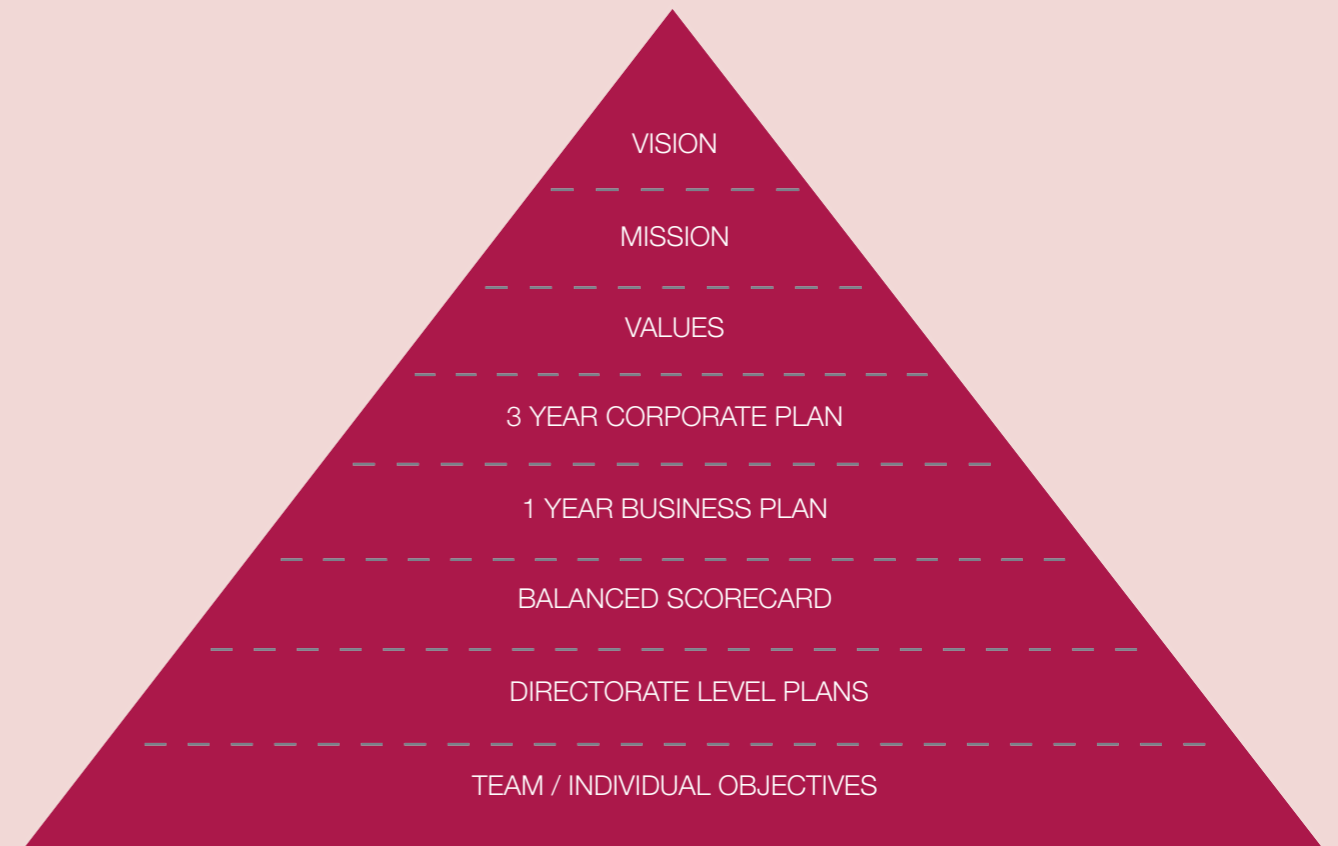
through to our performance development processes and individual objectives. This will ensure that there is clear responsibility and accountability throughout the organisation for achieving our objectives and every individual knows what is required and how they contribute.

The Balanced Scorecard will be the core method by which we measure, track and manage performance in achieving objectives set out in the plans.

The scorecard will continue to develop and will ultimately contain a set of measures which align with the Vision and Mission and the Transformation Programme Benefits Realisation Framework.

The scorecard will evolve further over the next three years with current measures aligned to current core processes gradually being retired and replaced with a set of more customer focused measures, reflecting the end to end customer journey.

The following diagram illustrates the hierarchy and line of sight from our Vision, Mission and Values to our Corporate and Business objective, through to Directorate, team and individual objectives. Personal objectives are set against the priorities and objectives set out in the plan so that every individual sees clearly what is required and how they contribute.



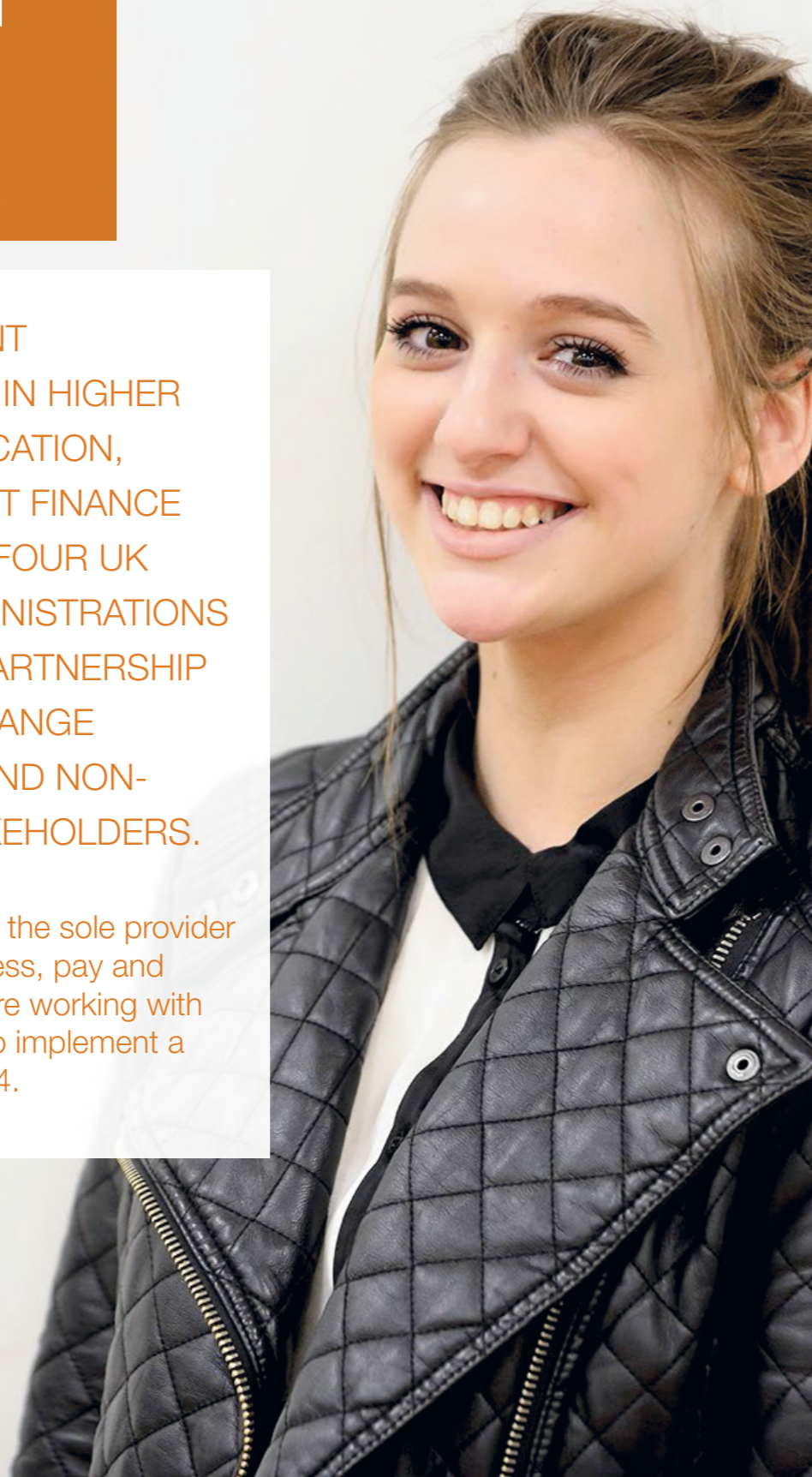


# 03.

## OUR ENVIRONMENT

SLC IS A SIGNIFICANT DELIVERY PARTNER IN HIGHER AND FURTHER EDUCATION, PROVIDING STUDENT FINANCE SERVICES FOR ALL FOUR UK GOVERNMENT ADMINISTRATIONS AND WORKING IN PARTNERSHIP WITH A GROWING RANGE OF GOVERNMENT AND NON-GOVERNMENT STAKEHOLDERS.

For England, we are now the sole provider of all aspects of the 'assess, pay and repay' process and we are working with the Welsh Government to implement a similar model during 2014.



## 03. OUR ENVIRONMENT

The recommendations from the programme of HE Reforms mean that since 2012, we have increasing customer and transaction volumes due to the growth of alternative HE providers and the introduction of loans for Further Education in England.

Our customers and their demands are becoming more sophisticated, complex and varied. Over the past 25 years HE activity has moved from a minority to a mass system. Alongside this, customer needs are changing as the use of digital services, tablets and smart phones becomes more prevalent. Our student finance offering must keep pace with these changing customer needs.

Government Digital Services (GDS) are at the forefront of developing and delivering the Digital by Default strategy on behalf of Government. In essence, 'Digital by Default' states that Government itself needs to become digital in its thinking and deliver services that are suitable and relevant to their users.

Taken together, these changes present internal challenges for us. Historically investment in our platforms, technologies and processes, has not kept pace with the changing environment. Our key ICT systems are end-of-life and there is a growing shortage of expertise – internal and external - to support these dated systems.

Because of this, we lack the systems required to be able to react to changing HE, FE and wider Government demands. Likewise we are constrained in our ability to develop new HE and FE products, deliver them to market quickly and/or take on other Government assess, pay and repay services.

Our existing systems and processes are built to deliver Government Policy. However they also need to do this in a way that recognises the needs of our customers. Our current operating environment and systems contribute to a number of issues and complaints related to the experience the customer has of our services. Not all of our services are offered digitally and even those which are still prompt a high level of customer calls. We experience issues with avoidable contact and unnecessary or incorrect evidence submissions.

### OUR CUSTOMERS AND THEIR DEMANDS ARE BECOMING MORE SOPHISTICATED, COMPLEX AND VARIED

The future look is important. Government and Devolved Administration policy is diverging as a result of a series of consultations and proposals in recent years, particularly in regard to tuition fee support in HE, but also in FE with the introduction of a loans product to replace grant funding. Student numbers are expected to grow further as a result of the announcement in Chancellors Autumn Statement 2013 to remove cap on these.

There is a greater focus across our Government Sponsors with regards to Repayments; we can expect continued scrutiny in this area, especially as the loan book size increases and further ICR Loan sales are commissioned. The loan book is becoming a significant national asset. We can also expect further regulatory reform in HE and reducing Fraud and Error across Government services will also be a key priority.



**OUR TRANSFORMATION PROGRAMME WILL PLAY A CRITICAL ROLE IN ENSURING WE CAN ACHIEVE OUR OBJECTIVES**

Political events such as the 2015 General Election and the Scottish Independence referendum in 2014 could bring further changes for SLC in terms of the impact on policy, product and service delivery. Similarly, other factors such as the potential introduction of Sharia compliant Alternative Finance Models for HE and the Lewis Review of Higher Education Funding in Wales (due to report in 2016) are likely to bring further change.

The consequence of rapidly competing policy demands from BIS and the Devolved Administrations is that we need to be more flexible, able to change and be able to deliver a more complex and higher value product set to an increasing, and diverse, group of customers and stakeholders.

There are continued constraints across the public sector spending and a relentless drive for efficiency and value for money across Government. As such, this requires SLC to be more operationally efficient, delivering more for less and participating in strategic initiatives across Government which support these aims. The BIS Strategic Review of Partner Organisations and BIS Shared Services are two examples of such initiatives.

To respond to these challenges we will ensure our decisions, priorities, plans and objectives are informed by the present and future environment. Our plans and objectives will address current and future known challenges and deliver against existing and emerging priorities of our Government sponsors. Our Transformation Programme will play a critical role in ensuring we can achieve our objectives and position SLC as a centre of excellence and an organisation that is able to meet the demands of a digitally enabled, customer driven and changing policy world.





# 04.

## OUR THREE YEAR CORPORATE PLAN

OUR THREE YEAR CORPORATE PLAN CONTAINS THE MEDIUM TERM STRATEGIC OBJECTIVES COVERING THE PERIOD FY14-15 TO FY16-17. THE PLAN:

- Sets out what we will do to achieve our Vision of being valued as a Digital, Customer Focused, Centre of Excellence;
- Places our Transformation Programme as the primary means by which we will achieve our Vision; and
- Contributes to the delivery of key strategic objectives of our Government sponsors



### 4.1

#### WHERE WE WANT TO GET TO – OUR MEDIUM TERM OBJECTIVES

##### 4.1.1 WHAT WE WILL DO TO BECOME ‘DIGITAL’

We are in the vanguard of digital provision with the Government’s strategy of ‘Digital by Default’, as an exemplar Government Digital Service organisation. We are currently the only one of twenty-five Government Digital Services (GDS) exemplar projects with full, live products.

We want to build on this success. All our products will be offered as a fully end to end digital service, across a range of multiple

platforms, making student finance easily accessible for our customers and easy to manage for our stakeholders.

Customers will be able to easily track where their finance is through each interaction with us and access any help or information they need about their application or account, using highly intuitive, simple and user friendly services which benchmark against ‘best in class’ for online services.

#### OUR MEDIUM TERM OBJECTIVES WHICH SUPPORT THIS ELEMENT OF THE VISION ARE:





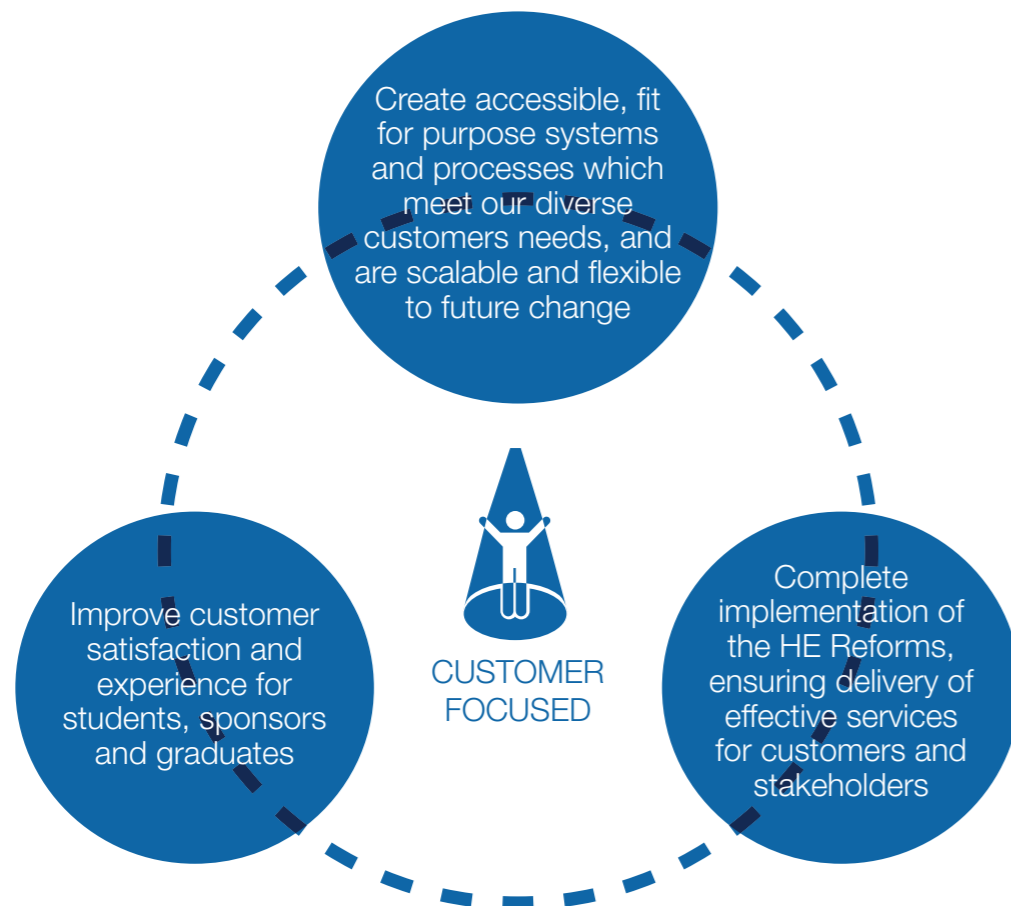
### 4.1.2 WHAT WE WILL DO TO BECOME ‘CUSTOMER FOCUSED’

We will put customers and stakeholders at the heart of what we do, fully involving them in service design and using customer feedback to continuously improve quality of service.

We will significantly improve the efficiency and ease of use of the service for HE and FE providers, recognising our expanding role in student finance.

Our intention is to deliver a highly responsive service which is continually monitored and refined against clear performance targets and designed so it can be rapidly improved in line with ongoing customer insight and engagement.

OUR MEDIUM TERM OBJECTIVES WHICH SUPPORT THIS ELEMENT OF THE VISION ARE:



### 4.1.3 WHAT WE WILL DO TO BECOME A ‘CENTRE OF EXCELLENCE’

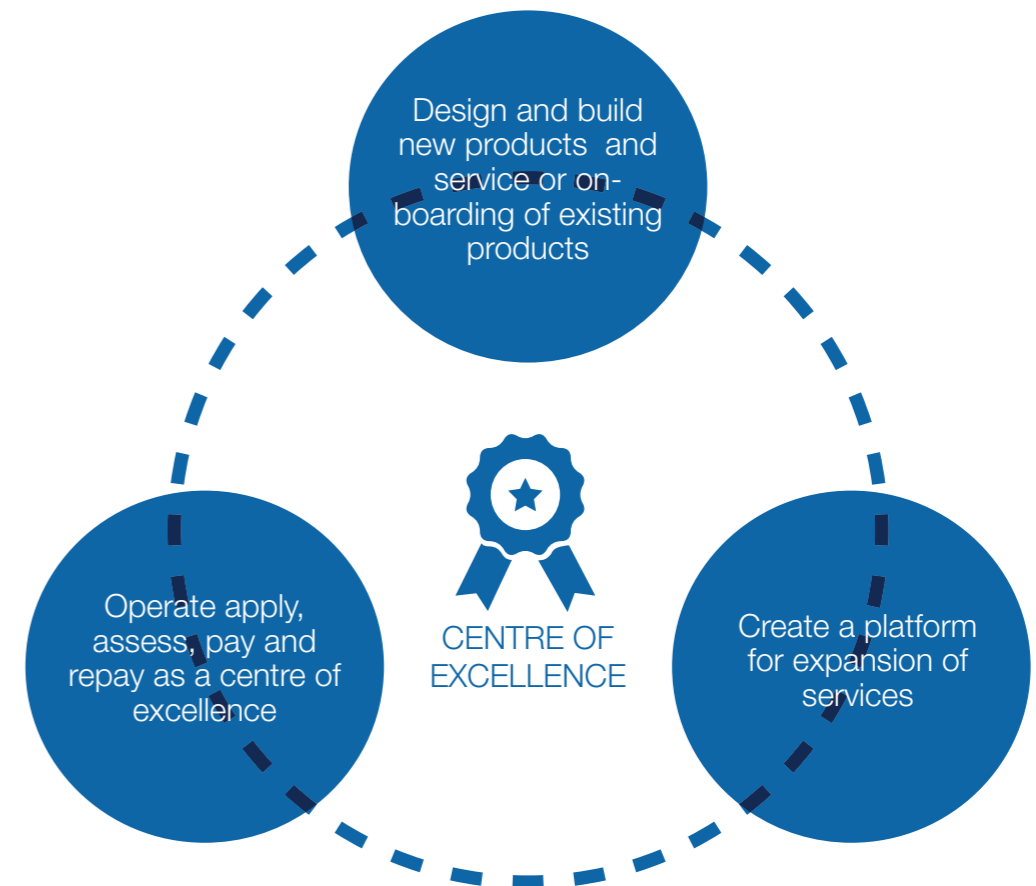
As Centres of Excellence, SLC will be well-known for designing, building and operating assessment, payment and repayment services extremely well. We will be an organisation which delivers its Mission and delivers operational service excellence which is highly scalable and can react quickly to take advantage of opportunities as they arise.

This will allow us to explore future growth in assessment, payment and repayment services outwith our current remit through close dialogue with BIS, Cabinet Office and other Government departments as appropriate.

We will deliver consistently to time, cost and quality targets and measures, guaranteeing total reliability in service provision throughout. We will achieve industry standard accreditation for our information management systems and processes.

Our services will be easily benchmarked with leading comparators and we will continually innovate and improve to build our status as ‘best in class’ on a sustained basis.

OUR MEDIUM TERM OBJECTIVES WHICH SUPPORT THIS ELEMENT OF THE VISION ARE:





### 4.1.4 CROSS CUTTING PRIORITIES

There are a number of key priorities for the organisation which are key enablers for us to achieve our Vision, or are specific priorities of our Government sponsors and which we must help support delivery and achievement of these. Our people are critical to us building a more efficient, effective, customer focused organisation and we will focus on developing and building the capability of our staff to enable them to deliver this. We will be an organisation which is operationally efficient, realising benefits for our Government sponsors.

Repayments is a key priority area both in the medium and short term. Our focus will be on improving repayments yield as the growing size of the loan book means it is becoming a significant national asset.

In addition to this, we will also look to explore yield as a benefit realisation from the Transformation programme. We will work to deliver strategic initiatives which support a number of priorities across government and partner organisations and in doing so, will grow and strengthen our role as a key advisor in terms of student finance policy.

### OUR MEDIUM TERM OBJECTIVES WHICH SUPPORT THIS ELEMENT OF THE VISION ARE:



### 4.2.1 TRANSFORMATION PROGRAMME

Our Transformation Programme is central to the delivery of our Vision to be a digital, customer focused centre of excellence, delivering services in alignment with the Government's Digital Strategy. It is largely the vehicle by which we will deliver our three year medium term objectives.

Full business transformation supported by a core systems replacement removes the current constraints we face in delivering for our customers, stakeholders and Government sponsors. We are adopting new ways of working including agile methods and delivery models which will allow us to deliver customer and business benefit earlier and more often over the next three years.

Our aging and end of life technologies will be replaced with proven, industry standard banking and security solutions while retaining the option to build or buy the business rules engine, business process management and integration software components.

The solution scope is defined to support rapid product delivery which can be built in a modular / standalone and decoupled basis. This will allow us to commence delivery of services with a new and flexible digital interface while continuing to use our legacy ledger system up to the point where it can be fully replaced.

Detailed People, Process and Product roadmaps will support the delivery of our Corporate Objectives. We will ensure a robust monitoring and evaluation strategy is in place to track benefits realisation throughout the duration of the programme. The programme structure, approach and governance is defined to ensure early delivery of benefits against each element of the SLC Vision as well as reducing risk through the incremental delivery of benefits, aligned with a strong measurement framework which will be independently assured.

We will be developing our Balanced Scorecard to embed measures that will allow us to track progress of our Transformation Programme and delivery of our Corporate objectives.

We have an experienced team in place and have engaged both strategic business and technical transformation partners with credible track records in agile business and ICT transformation. These partners will assist with building organisational delivery capability and technology platforms to support successful delivery of the programme and ensure knowledge transfer so that our own people are well equipped with the knowledge and skills to take us forward on an enduring basis.



### KEY INPUTS TO THE PROGRAMME WILL BE:

- Up to £139.1m investment
- Procurement of two system components: Customer Loan Account Management and Security and Access Management;
- Options to build/buy three system components: Business Process Management, Business Rules Engine, Integration Product. We also retain the flexibility to purchase all five ICT components from the market if appropriate;
- Expertise from external 3rd party Strategic Technology and Business Transformation Partners;
- Support from a Benefits Realisation Partner with proven experience in creating a framework and monitoring benefits throughout the lifecycle of a major business transformation programme;
- Independent assurance for the programme SRO and Programme Board via the appointment of a Quality Assurance Partner; and
- Ongoing support, expertise and guidance from BIS, Cabinet Office, GDS, GPS and HM Treasury.

### HIGH LEVEL PROGRAMME ACTIVITY

This section of the plan will be updated to show a 3 year high level view of programme activity covering all Business, Technical and Organisational change. Plans are being finalised and will be incorporated into the Corporate Plan when approved.

Key activities within the programme currently to support development of Roadmaps, Resource and Financial plans are:

- Baselined and detailed People, Processes and Products Roadmaps fully developed
- Resource profile to support the Integrated Programme Plan established
- Incorporation of Roadmaps into an Integrated Programme Plan
- Fully costed programme plan to December 2017
- Overlay of benefits profile on above plans

### KEY OUTPUTS OF THE PROGRAMME WILL BE:

- Improve materially the operational efficiency of the SLC over the lifetime of the programme with benefits realised as quickly as possible. Deliver cost savings of £217.4m over 12 years on SLC current cost base and resulting in benchmarked unit costs;
- A fully supported, maintained and up to date technology platform with Disaster Recovery capability;
- Fully digitalised service offering for customers across all products and services;
- A more open approach to ‘sourcing’ within SLC;
- Embedding of agile methodology for managing change on an enduring basis;
- New business process model and organisation design based on delivery of products;
- Streamlined organisation; and
- Increased capability to anticipate/respond to new service areas arising from Government policy.

### 4.2.2 SUPPORTING STRATEGIES, PLANS AND INITIATIVES

Whilst the Transformation programme is the primary vehicle by which we will deliver our medium term objectives, other supporting strategies, plans and initiatives will also contribute to achievement of our objectives and hence Vision over the next three years.

The Corporate Plan objectives will form the basis of more detailed planning across the organisation. All supporting plans and strategies will align with these including any financial commitments and performance measures underpinning these.

Critical to this is our one year Business Plan which contains both the detailed objectives which will support first year’s delivery of our medium term Corporate Plan and core business activity to deliver our Mission.

Directorate level plans will set out how each Directorate will deliver the priorities and objectives. These plans will then inform planning at service/ team level throughout the Directorates, ensuring a clear line of sight through our Corporate, Business and Financial plans and across supporting strategies and plans.



# 05.

## OUR ONE YEAR BUSINESS PLAN

OUR ONE YEAR BUSINESS PLAN  
CONTAINS OUR OBJECTIVES  
COVERING THE PERIOD FY14-15.  
THE PLAN:

- Sets out our 4 Key Business Objectives and detailed supporting objectives under each of these;
- Supports the medium term objectives in the Corporate Plan by ensuring in year objectives and initiatives contribute toward these and take us forward towards achieving our Vision; and
- Ensures we remain focused on our core business and functions by setting out in year objectives which support delivery of the Mission

The successful delivery of our plan relies on ensuring alignment of the organisation and resources behind our objectives, Vision and Mission. Our new organisation structure is the latest step we have taken towards this.





## KEY BUSINESS OBJECTIVE 1 - PROGRESSING TOWARDS OUR VISION



Through our Transformation programme we will deliver business, technical and organisational change in our drive to become a digital, customer focused, centre of excellence

Our Transformation Programme is the key enabler by which we will achieve our Vision. Our aging and end of life core systems will be replaced with proven, industry standard banking and security solutions.

We will iteratively develop services on new technology platforms, adopting new ways of working which will allow us to deliver customer and business benefit early and often, realising benefits against the Transformation Full Business Case. To further support benefits realisation, we will integrate and deliver Business Improvements as part of the programme, delivering near term benefits.

In addition to any financial benefits realised, we will ensure this work begins to improve the services we offer and start to transform the customer experience, moving us forward in our drive to become a more customer focused organisation.

The programme of technical change will be supported by business and organisational change. Throughout the year, we will change the way we are structured and the way we work, piloting new ways and methods of working which support a service based delivery model.

We will start to change our processes, culture and capability and drive improvements to ensure we are working towards a new fit for purpose business model and a more efficient and effective organisation.



## WHAT WE WILL DO IN FY 14-15 WHICH SUPPORTS THE KEY BUSINESS OBJECTIVE:

OBJECTIVE	MEASURED BY
1.1 Implement the new components of our Core Systems Replacement	As per Transformation milestones*
1.2 Deliver services for our customers on new technology platforms	As per Transformation milestones*
1.3 Ensure benefits are realised through the Transformation Programme against the Full Business Case	As per Transformation milestones*
1.4 Continue delivery of the HE Reform programme	As per Transformation milestones*
1.5 Pilot and evaluate Service Aligned working methods and other initiatives, supporting the creation of a new fit for purpose business model	As per Transformation milestones*
1.6 Commence work to transform the customer experience for students, sponsors and graduates, incorporating customer feedback and demand in our drive to be customer focused	As per Transformation milestones*
1.7 Integrate and deliver business improvements within the transformation roadmap	As per Transformation milestones*

\*Will be updated during Quarter 1 to reflect work on detailed Transformation Plans



## KEY BUSINESS OBJECTIVE 2 - DELIVERING THE MISSION



By delivering safe and accurate services for our customers and ensuring we keep our systems and processes running smoothly whilst we change

Our Mission is that we enable our customers to invest in their futures by delivering secure, accurate and efficient assessment, payment and repayment services.

As the organisation and our services change over the next three years, it is important that we don't lose sight of our core purpose and function and work to deliver our Mission. This period of organisational change presents us with an opportunity to ensure we re-balance the organisation, ensuring the right resources are in the right places to support delivery of the Mission.

We will process applications accurately and within agreed service levels, leading to timely payments of loans and grants to students and providers. To enable us to do this, we must sustain our current systems and processes, keeping them running smoothly through a series of short and medium term initiatives until their replacement through the Transformation Programme.

We will significantly increase the focus on our Repayments work, making improvements for our customers and maximising the amount we collect through our repayment channels.

Key Business Objective 4 refers to our Repayments Strategy which will increase yield and support improvements to the service.

Our customers and stakeholders rely on us to provide key financial services, even if events happen which are outwith our control. It's therefore important that we ensure we continually improve and enhance the capability of our critical business systems to ensure they can be recovered quickly in the event of a failure and ensuring that we have plans in place which will allow the business to continue operating.

Our Mission isn't just about our services for the current academic year cycle, each year we develop and build services for new and returning customers in HE and FE for the following academic year.

In 2014 we will complete and launch the Welsh Modernised Service which will be a significant achievement for us and will affirm our role as a significant delivery partner for Government sponsors.



WHAT WE WILL DO IN FY 14-15 WHICH SUPPORTS THE KEY BUSINESS OBJECTIVE:

OBJECTIVE	MEASURED BY
2.1 Process applications in line with agreed service standards	Application Processing timescales*
2.2 Ensure timely payments to students and providers	Payment timeliness*
2.3 Administer repayment collection with HMRC	Repayment Administration Effectiveness*
2.4 Improve customer satisfaction with our services	Customer and Stakeholder satisfaction levels and Contact Services performance*
2.5 Develop, build and launch AY 15/16 services on current systems for HE and FE new and returning customers and complete the delivery of remaining AY 14/15 services	Programme RAG status*
2.6 Launch the Welsh Modernised Service	Programme RAG status*
2.7 Sustain and improve current business processes and ensure services remain fit for the purpose of delivering student finance services until their replacement	Existing systems maintenance and continuity

\*Included in the Annual Performance and Resource Agreement Letter



### KEY BUSINESS OBJECTIVE 3 - MANAGING OUR PEOPLE



By investing in our people and equipping them to deliver a customer focused service

We will invest in our people to deliver the best possible service for our customers. We require to develop an organisational culture where we expect excellence and where people work together to do what is best for customers in the most efficient way possible. Setting a clear set of shared priorities for delivery, and communicating and translating them into improved ways of working, will be supported through rigorous implementation of the performance management process.

Achieving consistency of how we do business with each other and with stakeholders, and strengthening our management of performance, will be achieved through further embedding of our Leading the Way commitments, which define the attitude, approach and positive ways of working that SLC is seeking to embed in our culture. We will continue to promote equality, diversity and inclusion within our workforce.

Delivering the public service efficiencies agenda requires tight resource management, new approaches to our working practices and careful workforce management as new systems, digital services and working practices demand changes to the shape and size of our workforce over the coming years. Honesty, engagement, investment in staff and careful forward planning are key to success. It's a time of change for the organisation but also a time for opportunity and we will support our people throughout this journey.

With a fast-moving, innovating and transforming organisation comes the requirement for excellence in leadership and management. We will invest in developing better leadership to take us through change and improving managerial skill to fully support our people as well as provide stable and excellent operational delivery. Measurement of managerial performance will be equally focused on leadership and delivery.



WHAT WE WILL DO IN FY 14-15 WHICH SUPPORTS THE KEY BUSINESS OBJECTIVE:

OBJECTIVE	MEASURED BY
3.1 Communicate to staff a clear, shared vision of the future for SLC, setting out clear priorities for the organisation, and how teams and individuals contribute to achievement of it	Employee engagement survey
3.2 Drive forward our Leading the Way commitments, measuring all staff on how, as well as what, they deliver and build recognition of staff and teams	Employee engagement survey
3.3 Improve employee engagement using People Insight to track and monitor progress	Employee engagement survey
3.4 Manage Resource Plans to ensure capacity is in place to support the Transformation Programme and wider organisation and use Organisational Design principles to support achievement of a fit for purpose business model	Resource and OD plan milestones, sickness, absence and turnover*
3.5 Continue to mainstream, embed and deliver against legal and corporate governance requirements including our Equality, Diversity and Inclusion objectives	Activity measure (plan milestones)
3.6 Invest in development programmes which ensure staff have the skills and capabilities required to deliver services for our customers and stakeholders both now and in the future	Activity measure (plan milestones)
3.7 Continue our close working relationship with our trade union at local and national levels	Activity measure

\*Included in the Annual Performance and Resource Agreement Letter



## KEY BUSINESS OBJECTIVE 4 - MANAGING PUBLIC MONEY



By using our government sponsors money wisely and ensuring value for money in all that we do

As a public sector organisation, we are required to deliver services within our agreed budgets. However, we must also continue to deliver value for money throughout the organisation prior to, and in addition to, any benefits or changes as a result of our Transformation Programme. We will do this through a series of initiatives including improving process management, an ongoing programme of service reviews, driving continuous improvement and benchmarking.

We will improve our commercial capabilities, driving greater value and innovation through our relationships with suppliers and achieve more for the money available to us. We will continue to support the BIS Strategic Review and other related initiatives.

Repayments are a key priority for us and our Government sponsors. In the context of the increasing size of the loan book and further loan sales, we can expect continued scrutiny in this area. We will deliver initiatives as part of a refreshed Repayments Strategy, ensuring we increase Repayment yield by focusing on collecting every pound due or overdue. Key areas of focus will be customers who are overseas, recovery of any overpayments, targeting unresolved debt and extending the use of debt collection agencies to maximise the amount collected.

The strategy will also seek to address recommendations and actions from the recent NAO review of Repayments and Public Accounts Committee and will help contribute to improving the overall value of the loan book.

Effective counter-fraud and error-reduction activities are critical aspects of our business as a publicly funded organization. Fraud and error frequently share the same triggers, require common preventative measures, lead to similar investigations and result in similar outcomes. In the past we have managed fraud and error separately. We are developing a strategy which brings them together, joining up thinking across the whole customer journey, from application to repayment, rather than treating individual stages separately.

We have a growing role in supporting our Government sponsors and regulatory partners to ensure proper accountability and assurance arrangements are in place for the payment of student support and we will do this by developing and implementing standard Service Agreements with providers and further developing working arrangements with HEFCE and other sector partners. Changes introduced as part of the HE Reforms have resulted in an extended range and diversification of providers and continued delivery of robust processes to support the designation of institutions and courses will be a key priority.



WHAT WE WILL DO IN FY 14-15 WHICH SUPPORTS THE KEY BUSINESS OBJECTIVE:

OBJECTIVE	MEASURED BY
4.1 Deliver agreed services within budgets	Financial variance of year end out-turn*
4.2 Improve VFM through implementation of targeted initiatives including improving our commercial capability across the organisation	Activity measure (plan milestones)
4.3 Deliver in-year initiatives, contributing to improving Repayment yield as part of the refreshed Repayments Strategy	Repayment Yield
4.4 Deliver in-year initiatives to reduce fraud and error across our services as part of the Fraud and Error Reduction Strategy	Return on investment from Fraud prevention and Payment accuracy*
4.5 Ensure that proper accountability arrangements are maintained for payment of student support and contribute to further development of HE sector regulatory reform in conjunction with regulatory partners	Activity measure (plan milestones)
4.6 Assist BIS and HMT in the secure and accurate sales of the loan book	Programme RAG status*
4.7 Continue to contribute to the BIS Strategic Review and related initiatives	Activity measure (plan milestones)

\*Included in the Annual Performance and Resource Agreement Letter

# 06.

## HOW WE WILL MEASURE OUR PERFORMANCE AND PROGRESS

EFFECTIVE PERFORMANCE MANAGEMENT ALLOWS US TO TRACK PROGRESS AGAINST THE OBJECTIVES WITHIN OUR PLANS. PERFORMANCE WILL BE MEASURED AND MANAGED AT VARIOUS LEVELS THROUGHOUT THE ORGANISATION.

A line of sight will run from the Corporate and Business Plans, Directorate level plans, through to our performance development processes and individual objectives.

This will ensure that there is clear responsibility and accountability throughout the organisation for achieving our objectives and that every individual knows what is required of them and how they contribute.

## 06. HOW WE WILL MEASURE OUR PERFORMANCE AND PROGRESS

The Balanced Scorecard is the core method by which we measure, track and manage performance in achieving objectives set out in the plans. The scorecard will contain a set of measures which align with the Vision and Mission and the Benefits Realisation Framework from the Transformation Programme. The scorecard contains the measures and targets contained in the APRA in addition to internal activity based measures to track progress against objectives.

The Corporate Plan sets out how we will achieve our Vision and a core set of measures will be developed which will enable us to demonstrate our progress towards achieving this, whilst realising benefits for our Government stakeholders. The Business Plan sets out how we deliver against our Mission and our performance measures centred on our core activity of “assess”, “pay” and “repay”.

To support and supplement this, each Directorate will produce a plan which sets out the detailed initiatives and milestones they will undertake to deliver the priorities and objectives set out in the Business Plan. A system to monitor and review commitments in these plans is being put in place and will be used to inform the quarterly reports on progress against the plans to the SLC Main Board.

THE BUSINESS PLAN SETS OUT HOW WE DELIVER AGAINST OUR MISSION AND OUR PERFORMANCE MEASURES WILL BE CENTRED ON OUR CORE ACTIVITY OF “ASSESS”, “PAY” AND “REPAY”

For FY 14-15, the scorecard will contain a summary of measures at organisational level and aligned to the Corporate and Business Plan objectives. Detailed information will be available for specific services, products and domiciles where required.

A key requirement of a robust performance management process and Balanced Scorecard is to ensure the right things are measured in the right way. Currently, there are some limitations to how and what we can measure in respect of our core processes until we start to change our processes and systems through the Transformation Programme.

We plan to develop the scorecard further in line with the Transformation Programme and expect to see current measures aligned to core processes gradually being retired and replaced with a reduced core set of measures which reflect our new ways of working and take a more holistic view of our customer service delivery.



# 07.

## FINANCIAL PLANS

FINANCIAL PLANNING IN SLC HAS TRADITIONALLY FOCUSED ON THE SHORT TERM DRIVEN BY THE ANNUAL FUNDING DISCUSSIONS AS SUMMARISED EACH YEAR IN THE ANNUAL PERFORMANCE AND RESOURCE AGREEMENT (APRA) AND UNDERPINNING THE ONE YEAR BUSINESS PLAN.

As we move towards adapting a more medium term planning horizon with the development of our three year Corporate Plan objectives it is important that we have a medium term financial plan (MTFP) which supports and underpins this.

The MTFP largely reflects the Transformation full business case and the related roadmaps for delivering the benefits realisation but also needs to reflect that our baseline costs are also influenced by growth in volumes and other initiatives.

## 7.1 MEDIUM TERM FINANCIAL PLAN

It is clear that in the medium term our Government sponsors will continue to face cost reductions as part of the focus to reduce the public deficit and as such, we will be expected to share in delivering these cost reductions. The uncertainty is around the scale and timing of the reductions.

The Transformation business case sets out our plan to deliver benefits which will reduce our cost base in the medium term.

The business case outlines savings both within our front office functions and back office support functions and will help us respond to the likely implications of the next Spending Review.

The Transformation business case builds up to savings of approximately 24% on our cost base, on a phased basis up to FY 19-20.

The table below outlines the movement in the operating budget as a result of the benefits of Transformation.

NET OPERATING BUDGET	FINANCIAL YEAR		
	FY14-15	FY15-16	FY16-17
Transformation Business Case	115	109	101

Although the Transformation business case is the basis of the MTFP, there are other significant changes that we are dealing with. Most of these other changes result in increases to our cost base and mostly come with separate funding these include, as examples, increasing volumes, Welsh Modernisation and 24+ Advanced Learning Loans.

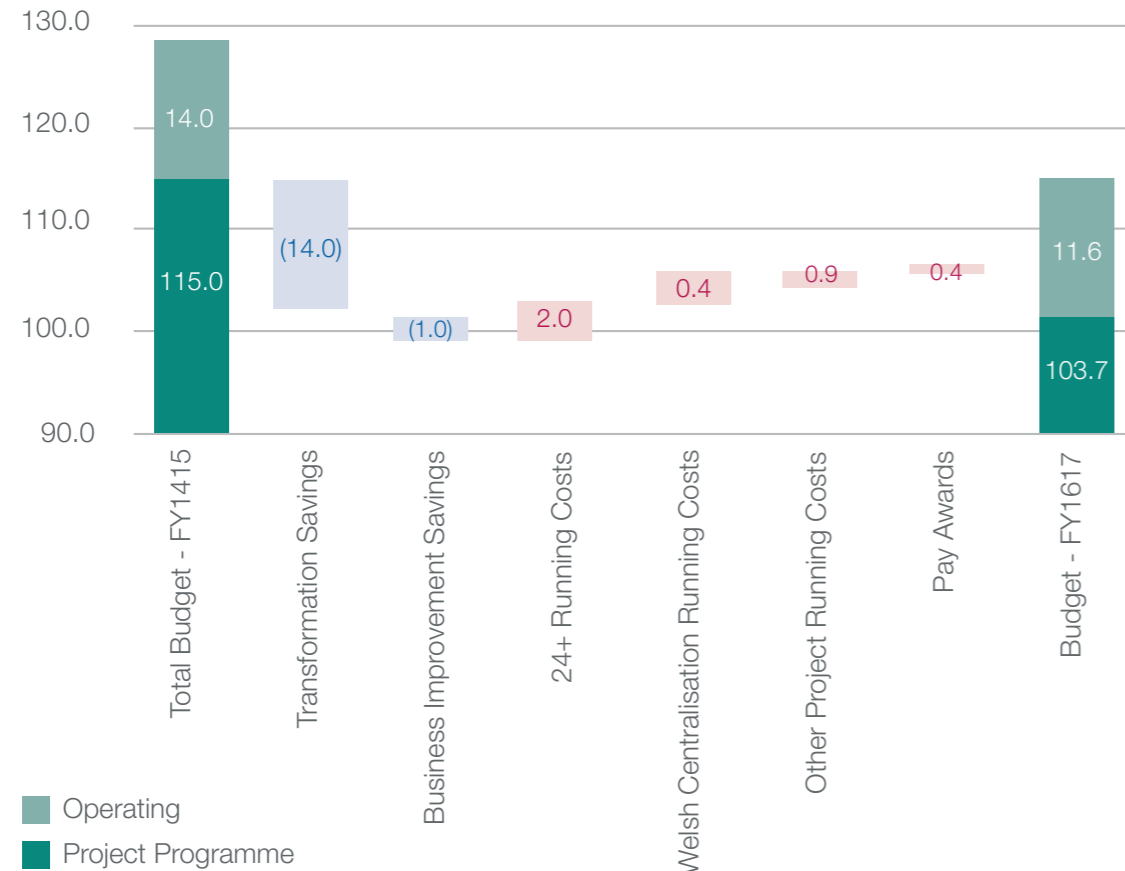
The savings above will be delivered from a combination of the key initiatives in the Transformation business case and a drive throughout the wider organisation to achieve value for money and cost savings through continuous improvement, improving business efficiency and process management, and improving our commercial capabilities.

Initiatives underpinning these will include critical reviews of some activities and decisions on whether to stop them, reduce their scale and/or outsource them.

The shape and profile of the Transformation business case savings are currently being reviewed in line with the roadmap activity and will be updated in due course. We will continue to review and refine these initiatives as the programme develops, in accordance with our agile approach.

## 7.1 MEDIUM TERM FINANCIAL PLAN

The graph below illustrates the movement of the Operating Budget and the Delivery Programme from FY 14-15 to FY 16-17 including the factors outlined above.



The shape and profile of the Transformation business case savings are currently being reviewed in line with the roadmap activity and will be updated in due course. We will continue to review and refine these initiatives as the programme develops, in accordance with our agile approach.

The MTFP is intended to represent a sensible glide path in terms of our financial position over the next three years towards our overall objectives, given known factors and realistic assumptions. It does not represent a detailed budget for the period. We will use the MTFP as the backdrop to create a more-detailed budget each year.

The MTFP will evolve in line with our Transformation roadmap and will be updated to reflect our sponsors ask of us. As such, we will ensure that short-term budgeting decisions are taken in the context of our medium-term financial planning.

We want to have the right balance between our back office support functions and our front office functions which directly deliver services to customers. The re-balancing of resources between our front office functions and back office support functions is a key aspect of the budget and associated plans. We are judged on our performance in the core service delivery elements of our Mission and these elements need the correct balance of our resources if we are to become a digital, customer focused, centre of excellence.

## 7.2 FY 14-15 FINANCIAL PLANS

Our in year Financial Plans set out the Company's funding position as discussed and agreed in principle as part of the Annual Performance and Resource Agreement (APRA) process and will deliver the first year of the Medium Term Financial Plan.

We recognise the continued funding restrictions our Government sponsors face and as an organisation we will commit to delivering services afforded by our agreed budgets and continuing to deliver value for money throughout the organisation.

Our Business Plan sets out key objectives, which will be underpinned by Directorate level Plans, to ensure we review our services, improve our processes, drive continuous improvement and improve our commercial capabilities.

We will work closely with our Government sponsors to monitor budgets and forecasts throughout the year. We will conduct quarterly formal reviews with each Government administration, reviewing assumptions and risks underpinning their expenditure. This external review process will be supported by our internal governance procedures.

The funding provisionally available to the Company in FY14-15 is outlined below. All funding is indicative and subject to final confirmation during the APRA sign off process.

FUNDING CATEGORY (£'000s)		BIS HE	BIS FE	TOTAL
Non-Ringfenced Resource (DEL and Capital DEL available for FY 2014-15)	Administration	38,074	1,711	39,785
	Programme	66,231	3,678	69,909
	Capital	43,379	1,428	44,807
	Sub Total	147,684	6,817	154,501
Ringfenced Resource	Administration	2,633	76	2,709
	Programme	2,450	78	2,528
Annually Managed Expenditure		3,130	0	3,130
TOTAL BIS HE		155,897	6,971	162,868
SAAS (Scotland)				3,587
DEL (Northern Ireland)				4,000
DfES (Wales)				8,300
UK TOTAL				178,755



## 7.3 OPERATING EXPENDITURE

A high-level breakdown of SLCs operating expenditure is shown below. The main categories are as follows:

### PEOPLE COSTS (60%)

The salaries and associated costs of our permanent employees delivering the core business functions and objectives, as well as the cost of the temporary staff we have supporting us during peak times of the academic year.

### OUTSOURCED CONTACT HANDLING (11%)

We use outsourced suppliers to help us to deliver a quality service to our customers who need to phone us. This supplements our in-house contact centre offering and helps us to manage calls at peak times.

### IT SYSTEMS (7%)

The maintenance, lease, licence and telephony costs associated with both our internal and external IT systems and infrastructure, supporting the customer journey, our technology links with third parties, and our staff in the delivery of their objectives.

### IN-HOUSE CUSTOMER CONTACT (7%)

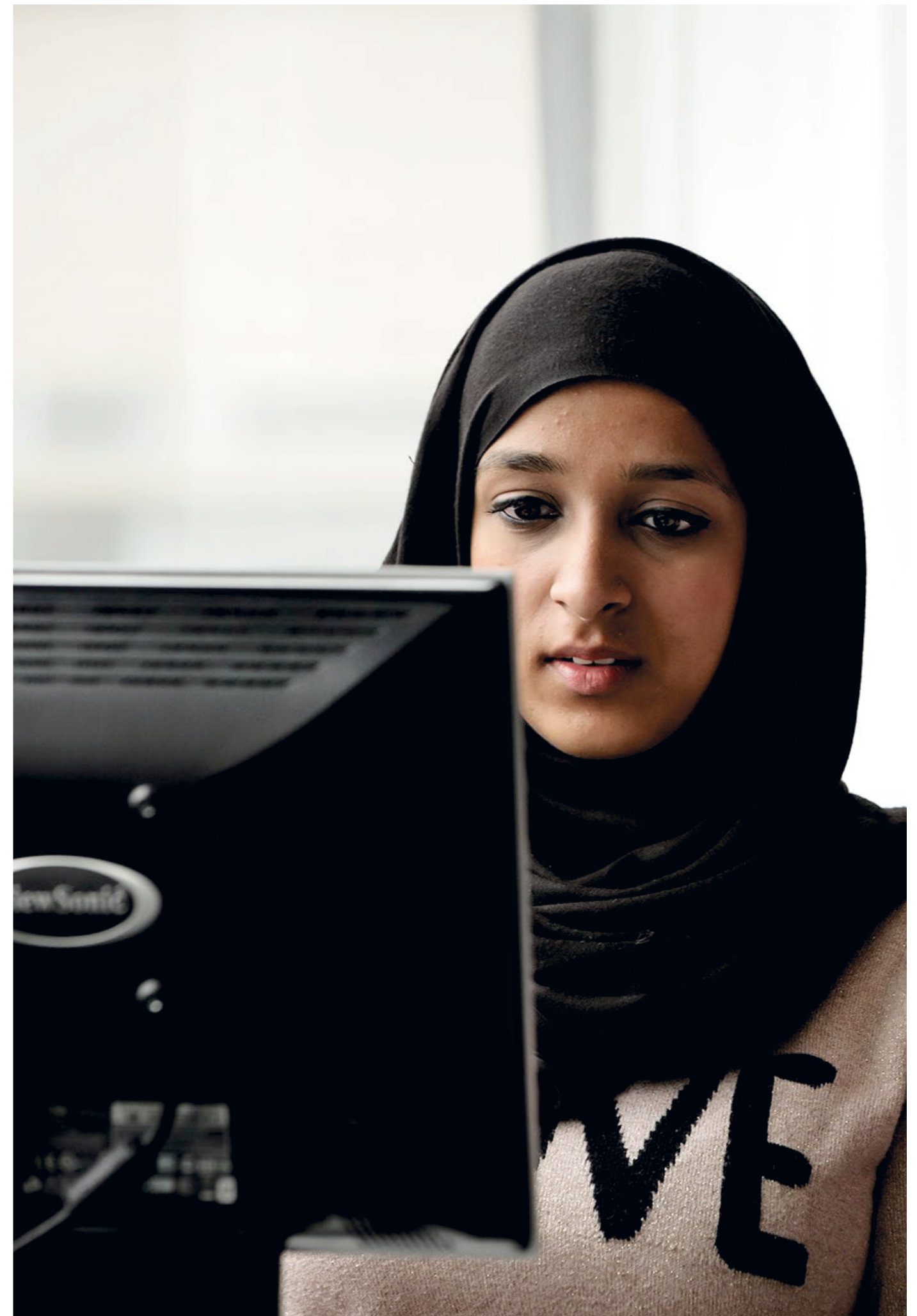
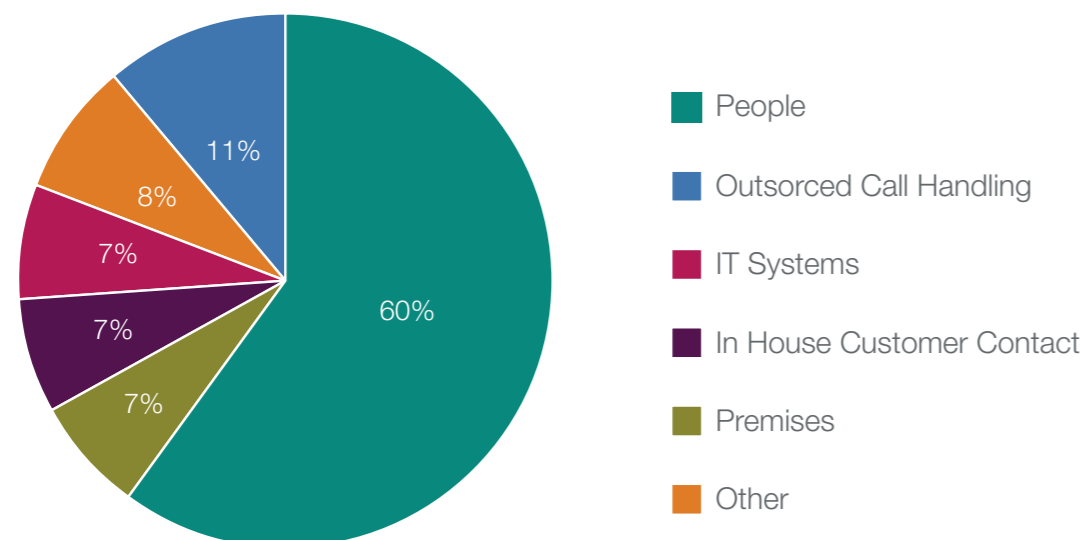
The 'non-people costs' associated with our customer engagement – postage and printing costs related to our customer correspondence and literature, telephone charges arising from customer contact, print and mailing equipment costs and customer IAG.

### PREMISES COSTS (7%)

The spend associated with renting and maintaining the buildings at our four sites in Glasgow city centre, Glasgow Hillington, Colwyn Bay and Darlington.

### OTHER (8%)

Depreciation on Company assets, professional services, tax etc





# 08.

## RISK MANAGEMENT

IT IS ESSENTIAL THAT THROUGHOUT THE NEXT THREE YEARS AND THIS PERIOD OF SUBSTANTIAL CHANGE, THE COMPANY APPLIES A ROBUST APPROACH TO THE MANAGEMENT OF RISK AND THAT A STRONG FRAMEWORK IS IN PLACE TO ENABLE TIMELY DECISION MAKING AND ESCALATION AND TO ENSURE THAT APPROPRIATE CONTINGENCY MEASURES ARE IN PLACE

This will ensure that any risks relating to the achievement of our Corporate and Business objectives are quickly identified and managed accordingly.

## 08. RISK MANAGEMENT

Although delivery methods may change and the breadth and diversity of activity may widen, compliance with the Company's Risk Management Policy will remain mandatory.

Detailed below are some key thematic risks identified which could impact achievement of our Vision and Mission, Corporate Plan and Business Plan. This is by no means an exhaustive list and we will continue to identify, mitigate and manage risk throughout the duration of the plan.

Transformation programme activity may fail to deliver expected benefits within a timeframe suitable to stakeholders.



*Mitigated by* definition of an agreed roadmap, with a workable programme plan, effective supplier and partner management arrangements, a benefits realisation partner and framework and sufficiently skilled and resourced programme to maintain the required pace of change whilst also ensuring the continued success of core services and programme output. Achievement of the Vision must not be realised to the detriment or at the cost of delivering our Mission.

Our expanding loan book and transitioning systems may become subject to increased levels of application fraud and cyber attacks.



*Mitigated by* identification and data sharing, ongoing consultation with BIS and HEFCE, and the development of a robust regulatory framework and service agreements between SLC and providers. This is particularly relevant within the growing Alternative Provider market, where strong messaging and guidance has also been adopted and dedicated resource assigned. We have recently appointed a Board Member as champion for Cyber Security and all Board members are scheduled to receive cyber awareness training. This ensures focus at the highest level whilst work continues as part of a dedicated programme of security improvements



We may be unable to maintain key business services ahead of CSR implementation and the benefits of a fully transformed environment.

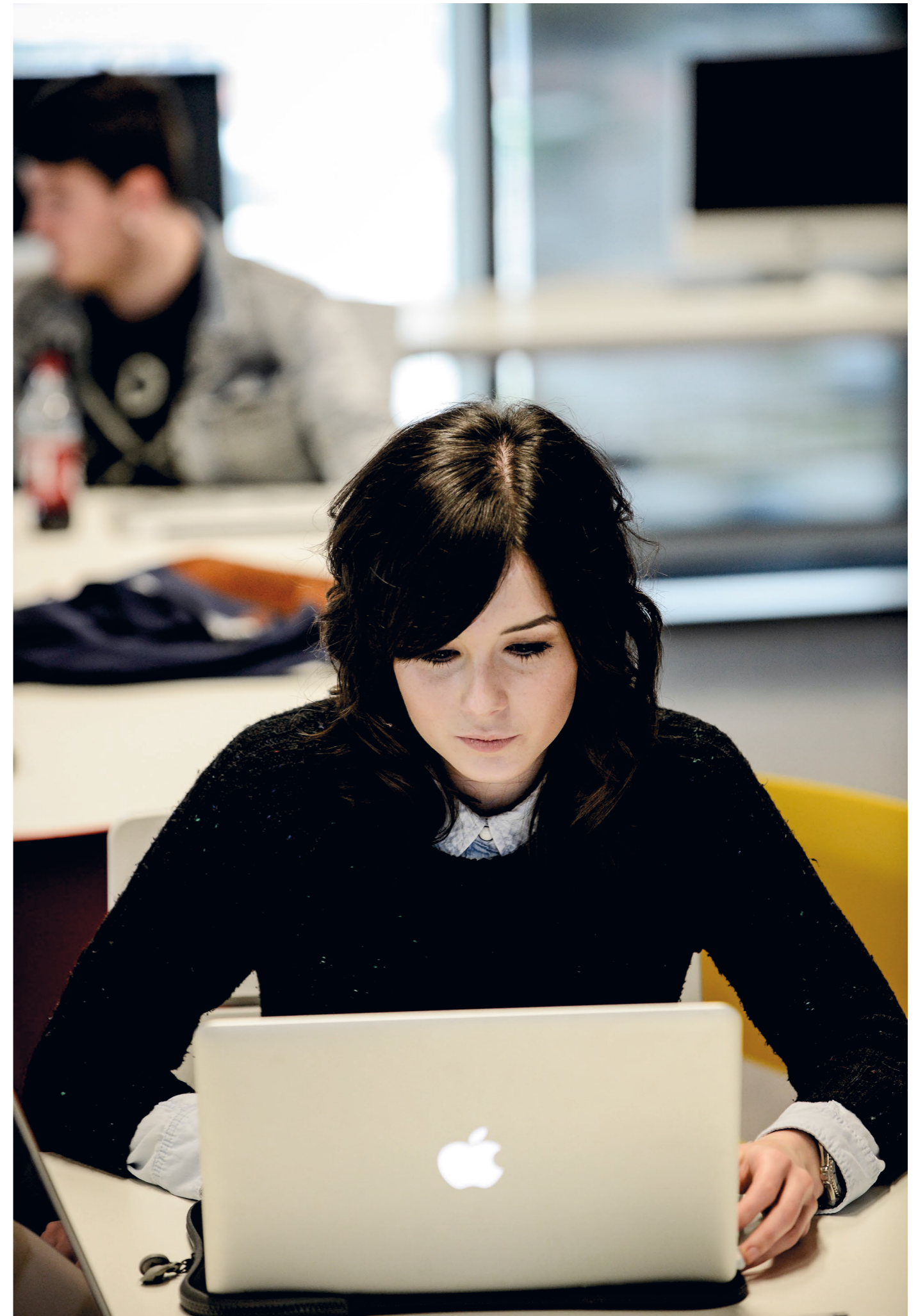


*Mitigated by a number of projects currently operating under governance of the Sustain Programme. This includes a full refresh of business continuity plans, improvements to current disaster recovery arrangements, increased power, capacity and resilience within data centres, and an upgrade to our existing document imaging solution.*

Government environment and pressures, such as continued austerity cuts, changes in Government administration, late changes to policy, and additions or expansions within the current portfolio, may create barriers and additional complexity to delivery on the new platform



*Mitigated by the top-down organisational re-design, and ongoing VFM exercises across directorates. Early and ongoing consultation is sought with BIS and Cabinet Office in order to reduce the impact of any unplanned change to budgets and programmes and impact assessments will be produced, where appropriate, to help inform decisions. Revised internal governance will be used as a vehicle to maintain alignment across the existing change portfolio and the Transformation Programme.*





# 09.

## APPENDIX 1- ABOUT SLC

SLC IS A NON-PROFIT-MAKING GOVERNMENT-OWNED ORGANISATION SET UP IN 1989 TO PROVIDE LOANS AND GRANTS TO STUDENTS AT UNIVERSITIES AND COLLEGES ACROSS THE UK.

In doing so, we support a key priority of our Government Sponsors – ensuring sustained growth and higher skills across the economy.

We work closely with the Departments for Business, Innovation & Skills (BIS), Education and Lifelong Learning (DELL, Scotland), the Department for Education and Skills (DfES, Wales) and the Department for Employment and Learning (DEL, Northern Ireland). We also work with the Student Awards Agency for Scotland (SAAS), Education and Library Boards in Northern Ireland, Higher Education (HE) and Further Education (FE) providers, HM Revenue & Customs (HMRC), Identity and Passport Service (IPS) Department of Work and Pensions (DWP), Government Digital Services (GDS) and other delivery partners.



## 9.1 WHAT WE DO

### OUR CORE FUNCTIONS ARE TO:

#### ASSESS:



provide information, advice and guidance (IAG) on student finance



process applications for students and learners in higher and further education

#### PAY:



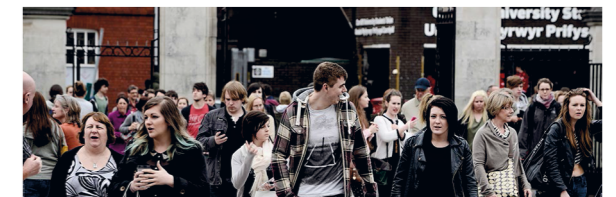
pay loans and grants to students in higher education



pay tuition fees to higher and further education providers



make educational maintenance payments to students aged over 16 in Northern Ireland and Wales



pay bursaries and scholarships on behalf of higher and further education providers

#### REPAY:



work with HMRC to collect loan repayments



manage direct collection from customers making voluntary additional payments, living overseas or repaying grant and loan overpayments

We also provide expert operational advice and high quality data and information to support Government Administrations' policy-making and analysis.



# SLC CURRENTLY HAS AROUND

**2,000 STAFF**

ON PERMANENT CONTRACTS



LOCATED ACROSS FOUR SITES



GLASGOW (CITY)



GLASGOW (HILLINGTON)



LLANDUDNO JUNCTION



DARLINGTON

WE ALSO HAVE  
**UP TO 1,500**

**ADDITIONAL STAFF** SUPPORTING US AT PEAK TIMES OF THE ACADEMIC YEAR THROUGH OUTSOURCED SERVICE PROVIDERS AND TEMPORARY OR FIXED TERM CONTRACTS.



We provide the core transaction processing function for the administration of student finance for the UK (except for applications in Scotland which are administered by SAAS). We are one of the largest Financial Services providers in the UK. We currently:



Process around 1.6 million student finance applications per annum



Pay around £6.6 billion in maintenance loans and grants and around £5.9 billion to learning providers in further and higher education



Work closely with 750 Higher Education Institutions (HEIs), 570 Learning Providers and 650 Learning Centres



Manage a loan book with a total gross value of £62 billion



Collect £1.78 billion in repayments



Hold and manage the personal details of 6.8 million customers



FY 13-14 has been a year of putting in place a strong foundation for our Company - one that can underpin us as we continue our progress in the years ahead.

We've worked hard to achieve the objectives we set out in our FY13-14 Business Plan. The successful delivery of AY13/14 application cycle is a good example: we've had an increased volume in HE full time applications, we've improved the application process, improved call handling methods and resourcing, and improved customer satisfaction scores. We ensured we sustained our underlying and aged ICT systems, delivering a number of improvements to enable us to continue to deliver a safe and secure service to our customers whilst we planned our Transformation Programme.

We launched 24+ Advanced Learning Loans, a new product for the Further Education (FE) sector in England. The build and planning for our new modernised Student Finance Wales service is progressing well and this will see SLC take on responsibility for processing services for Wales. We moved to new offices in Llandudno Junction, recruiting and training new staff and we are well placed to launch the new service for Welsh students in April.

The AY14/15 HE service was launched successfully in January 2014 with a much improved online service for our customers. We achieved the status of a GDS exemplar organisation, the only one of 25 organisations with live products. We supported the sale of the Mortgage Style Loan book and we continue to support the preparatory debt sale work in relation to Income Contingent Repayment loan book.

We supported the NAO Review of Repayments and taking forward the recommendations and actions from this and the subsequent Public Accounts Committee hearing is a key focus and priority for us. We have continued to drive down fraud and error, ensuring we deliver a return on investment for Government sponsors.

Early in the year, we defined our Mission and Vision – what we're here to do in the present and what we want to be in the future. We made sure we shared and communicated our Business Plan and key objectives with our

**WE'VE CONTINUED TO STRESS THE IMPORTANCE OF OUR VALUES – BECAUSE THEY ARE FUNDAMENTAL TO US HAVING THE RIGHT CULTURE TO MEET DEMANDS PLACED UPON US.**

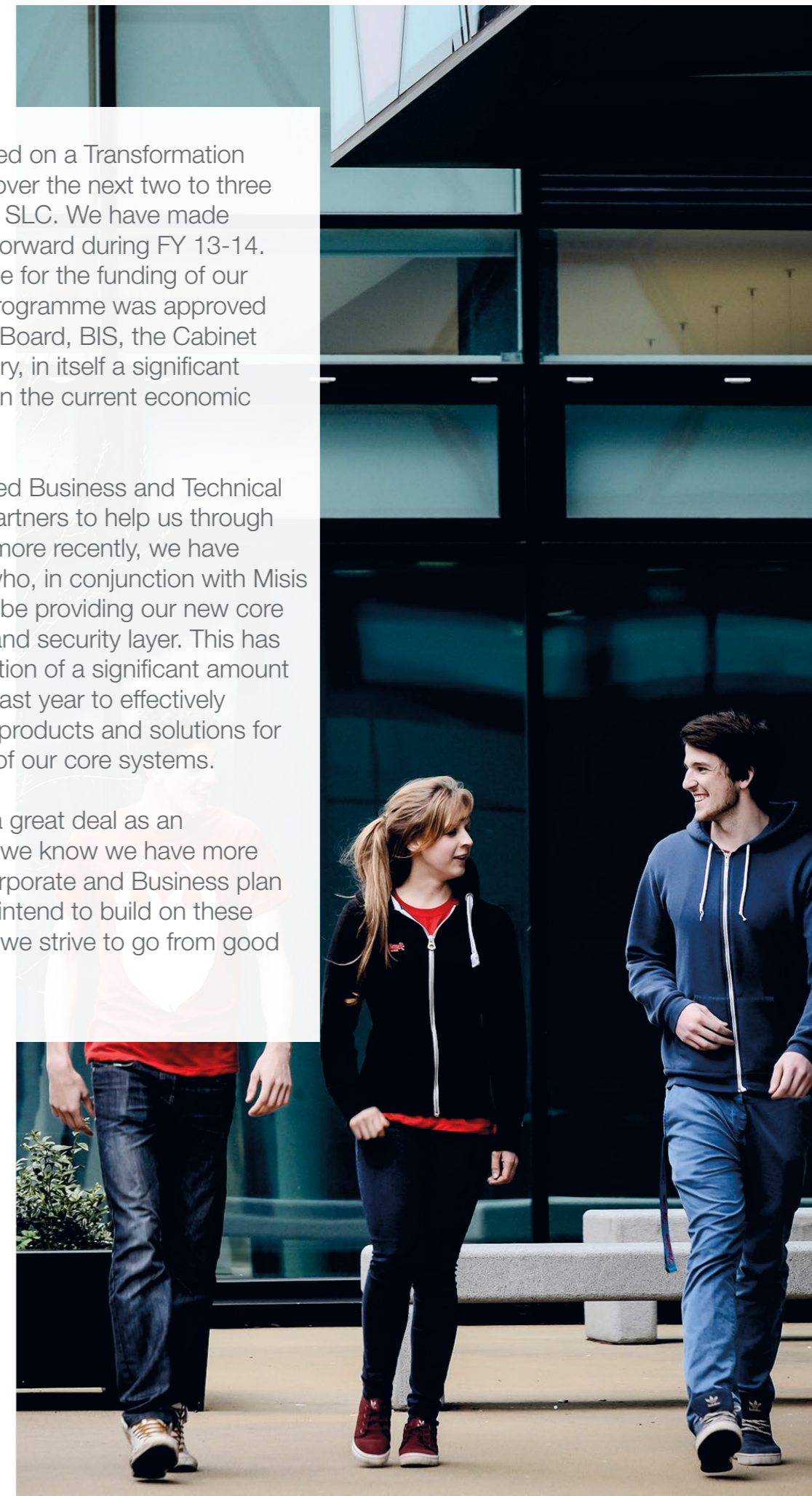
staff, and followed this up with our progress against them during the year. We conducted our People Insight survey to collect feedback from our staff on a number of important topics - which has resulted in an Action Plan for the Executive Leadership team. And throughout, we've continued to stress the importance of our Values – because they are fundamental to us having the right culture to meet demands placed upon us.

It is the growing demands of our customers and Government sponsors which mean we need to change the organisation if we are to continue delivering reliable, efficient and effective services.

We have embarked on a Transformation journey that will, over the next two to three years, modernise SLC. We have made significant steps forward during FY 13-14. The business case for the funding of our Transformation programme was approved by the SLC Main Board, BIS, the Cabinet Office and Treasury, in itself a significant achievement given the current economic climate.

We have appointed Business and Technical Transformation partners to help us through this journey and more recently, we have appointed HCL who, in conjunction with Misis and Deloitte will be providing our new core banking system and security layer. This has been the culmination of a significant amount of work over the last year to effectively procure the right products and solutions for the replacement of our core systems.

We've achieved a great deal as an organisation, but we know we have more to do and our Corporate and Business plan sets out how we intend to build on these achievements as we strive to go from good to great.





# 10.

## APPENDIX 2- OUR VISION, MISSION AND VALUES

OUR VISION, MISSION AND VALUES UNDERPIN THE STRATEGIC DIRECTION FOR SLC, OUR CORE PURPOSE AND THE VALUES WHICH SHAPE OUR ORGANISATIONAL CULTURE AND PRIORITIES.

Our Corporate and Business Objectives support our Vision, Mission and Values and ensures that everything we do contribute towards achieving these.



## 10.1 OUR VISION

Our Vision looks ahead to the future and sets out what sort of organisation we want SLC to be and how we'd like to be regarded. It has three components, each of which is defined below:

**OUR VISION IS TO BE VALUED AS A DIGITAL, CUSTOMER-FOCUSED CENTRE OF EXCELLENCE**



DIGITAL

Captures the transition we're making from being an organisation that still relies heavily on manual processes to one that will, for most customers, be wholly automated and accessed via the internet or mobile device.



CUSTOMER  
FOCUSED

Reflects our aspiration to provide a high-quality service to our customers, whatever their needs and preferences, allowing them to transact their business with us – whether it's accessing funding, making repayments or tracking their account – quickly, easily and conveniently. Customer feedback and requirements will shape the design of our systems and processes.

It also marks our determination to get things right first time, so that we compare favourably with best-in-class customer service organisations.



CENTRE OF  
EXCELLENCE

Looks to the future. We already have a wide range of expertise across the Company in assessment, payment and repayment services and replacing our core systems will give us the capacity to further develop and expand this expertise, enhancing the Company's growing reputation as a centre of excellence in these areas.

This will enable us to provide services beyond student finance and we will look to explore opportunities across Government and in new sectors.

## 10.2 OUR MISSION

Our Mission sets out what we do, how we do it and why we do it.

It describes our current remit – why we exist and what we're doing today, tomorrow and in the months ahead:

**WE ENABLE OUR CUSTOMERS TO INVEST IN THEIR FUTURES BY DELIVERING SECURE, ACCURATE AND EFFICIENT ASSESSMENT, PAYMENT AND REPAYMENT SERVICES.**

WHAT  
WE DO

Has three main components: we assess eligibility, we make payments and we provide repayment services for student finance. Everyone in the Company – whatever their role – is supporting these activities, even if they aren't directly involved in providing them.

HOW  
WE DO IT

Stresses both the need to do things right first time with minimum fuss, so that customers get what they need from us easily and we don't waste time and money. Part of this is ensuring that we have the right balance between our back office support functions and our front office functions which directly deliver services to customers.

'How we do it' also highlights the very real need to deal with personal information carefully and sensitively.

WHY  
WE DO IT

We're here to provide finance to our customers to enable them to invest in their futures. We help them access funding to enhance their knowledge, improve their skills and increase their opportunities, contributing to economic growth.

## 10.3 OUR VALUES

Our Leading the Way Framework sets out the Values which shape the attitude, approach and positive ways of working we seek to embed in our organisational culture. We want to invest in our people to enable them to deliver the best possible, customer focused services.

As an organisation we strive to achieve performance excellence. We can only do this if each individual sets out to achieve this in everything they do and we'll ensure we recognise success for those who do through our performance development process.

We will work together to deliver the best outcomes for our customers, stakeholders and Governments (Sponsors) in the most professional and efficient way, challenging each other to continually improve and innovate. We will recognise and celebrate success.

The Executive Leadership team will make a strong commitment to demonstrate SLC Values and embed them further within our culture.

**WE WANT TO INVEST IN OUR PEOPLE TO ENABLE THEM TO DELIVER THE BEST POSSIBLE, CUSTOMER FOCUSED SERVICES**

This commitment is underpinned by actions and initiatives contained within the People Insight Survey Corporate Action Plan – which sets out the Executive Leadership team response to the company wide "Your Voice" People Insight survey.

In addition, our performance management and development process is being enhanced to strengthen how we manage the performance of our people. There will be a renewed focus on not just what each individual does to achieve their objectives, but how they do this by demonstrating how they live our Values and build a culture which will support the delivery of our Vision and Mission.



# 11.

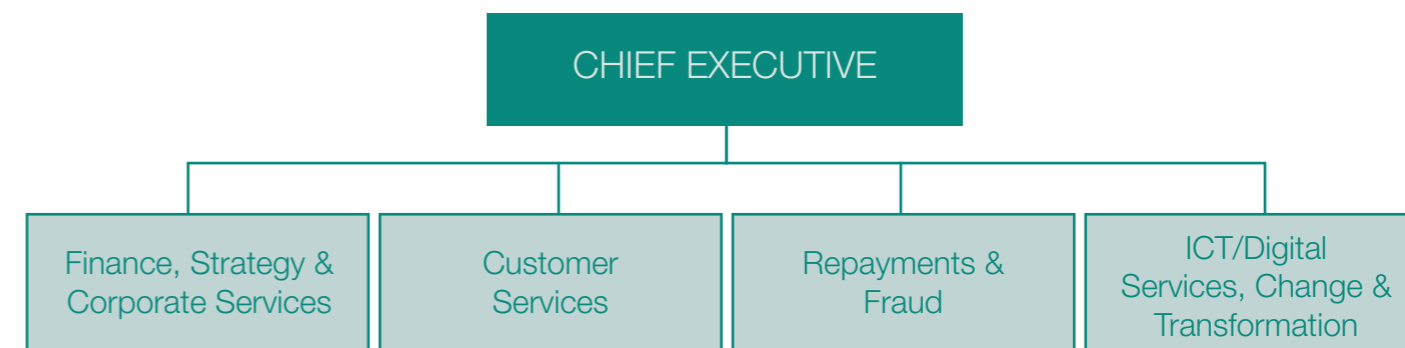
## APPENDIX 3 - OUR ORGANISATION STRUCTURE



### 11.

## APPENDIX 3 - OUR ORGANISATION STRUCTURE

Our new organisation structure is shown below.



The key objectives of our structure are to:

- Create a structure and capabilities to help achieve the vision;
- Support delivery of the mission including re-balancing the organisation to shift focus and resource more evenly between the back office and front office;
- Improve the collective sponsorship of, and support for, the Transformation Programme;
- Reflect the growing importance of the loan book as a significant national asset and bring focus and additional investment to Repayments
- Support improved customer focus and stakeholder management;
- Remove structural impediments to cohesion, effective decision making and ease of collaboration and introduce clearer responsibility and accountability;
- Create a structure to help deliver the Government/SLC digital agenda;
- Increase our capacity and capability to on-board or pursue growth opportunities.





**Student**  
Loans Company

[www.slc.co.uk](http://www.slc.co.uk)

Student Loans Company limited

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