

# Annual Business Plan

2025-26





# Contents

CEO's Introduction	03
01 Vision Statement – Building a better SLC	07
02 SLC's Priority and Performance Focus for 2025-26	11
03 The Customer Lens	13
04 The Shareholder Lens	17
05 The Colleague Lens	22
06 Environmental, Social and Governance	26
07 Further Information	28

# CEO's Introduction

**Chris Larmer** Chief Executive



I am delighted to introduce SLC's annual business plan for the financial year 2025-26 in which we set out how we will deliver our purpose to enable opportunity through the delivery of student finance.

This plan covers our activities over the coming year but also how we will 'build a better SLC' for customers, shareholders and colleagues.

## **SLC has a track record of delivering outstanding results. Last year we:**

- safely delivered the academic cycle paying c£11.3bn in maintenance loans to over 2m customers to help them pursue their studies and £12.5bn to universities and colleges in tuition fee loans
- supported or directly collected repayments of over £5.68bn which flow back to the public purse
- improved the service we provide to disabled students, achieving a 7%-point uplift in customer satisfaction on the pre-reformed service
- protected public funding with £45.5m in fraud savings and fraud losses down by £12m (£29.2m to £17.2m) on the previous year
- enhanced our digital services for customers including by automating the refund process for customers who had over-repaid
- introduced new SLC values, voted for by our colleagues

SLC offers a vital public service and plays a critical role in the higher and further education sectors within the UK. This is illustrated by the significant growth in our customer base and in the student finance products that we offer.

This growth also means that SLC has become increasingly complex with associated rising costs. We need to transform SLC to become a simpler, modern, digital business and this is what we plan to do via our new transformation programme, Enable.

As this plan is published, we await final decisions on Enable funding. I am convinced that we have set out a compelling case that will reduce SLC's cost to serve and risk exposure while delivering significant customer and shareholder value. The funding available will determine the pace of delivery of Enable, but it is a direction that SLC is committed to.

This direction is captured in our broader vision statement, set out in this plan, and will form the basis of the multi-year Corporate Plan which we will publish later this year.

**As well as building a better future for our customers, shareholders and colleagues, we will continue to deliver our core remit:**

#### **For our customers**

We will safely deliver the academic cycle, maintaining levels of service and optimising our digital services while delivering a 'year of better' for our Disabled Student Allowance customers.

#### **For our Shareholders**

The UK government administrations of England, Scotland, Wales and Northern Ireland - we will continue our work to create a more sustainable SLC, removing cost through technology and digitisation aligned to the UK Government's digital and AI agenda. We will also protect taxpayer money and data by minimising fraud losses, enhancing cyber security and effectively managing risk.

We will continue to progress shareholder policy including the Lifelong Learning Entitlement (LLE) policy for DfE which will transform post-18 student finance by allowing people to develop new skills and gain new qualifications at a time that is right for them.



### For our Colleagues

Through an updated People Strategy, we will accelerate the work to achieve our 'Great Place to Work' ambitions.

Our key areas of focus will be on employee engagement, on ensuring our colleagues have the skills and tools they need now and in the future and on our refreshed values that were chosen by our colleagues: Honesty, Empowerment, Accountability, Respect and Trust.

I'm proud to be part of a company that makes a genuine difference to people's lives. This sentiment is echoed by our Board and shareholders, who work shoulder to shoulder with us in delivering the best outcomes we can, for which they have my thanks.

My thanks also go to our passionate colleagues for what they do each and every day. I'm excited about the future and am confident in the robust plans we have to deliver for our customers, shareholders and colleagues.

### Chris Larmer

Chief Executive





## 01

## Vision Statement – Building a better SLC



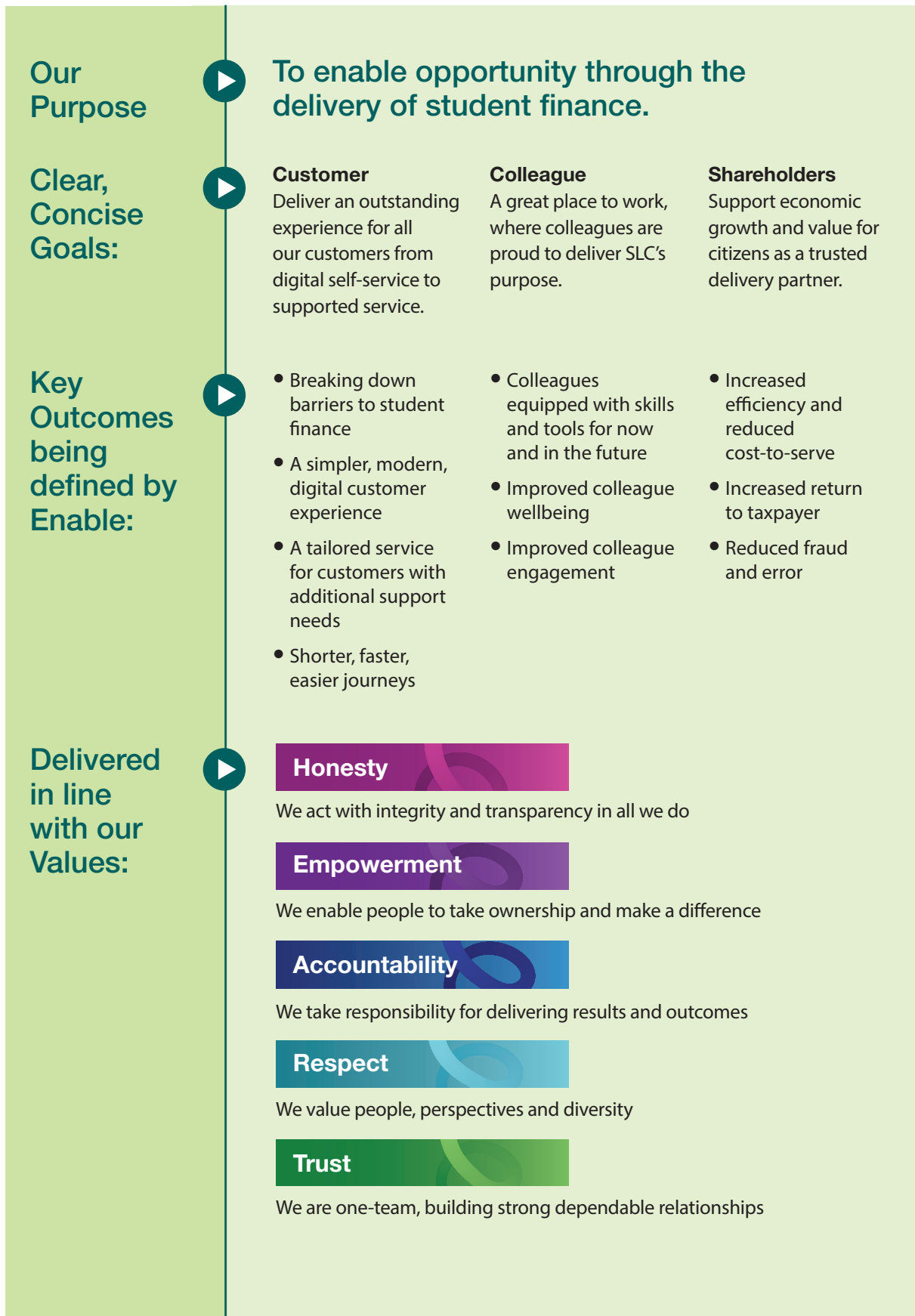
SLC's enduring purpose is to enable opportunity through the delivery of student finance. It was the basis of our last Corporate Plan which ran from 2022-23 to 2024-25 and is the guiding principle for our next strategic planning period.

In 2023, the SLC Board endorsed an end state blueprint to help guide the next stage of SLC's transformation. It built on our previous transformation programme, Evolve, but set out a future vision for translating these foundations into an outstanding digital experience for customers, a great place to work for colleagues and better value for UK citizens and shareholders. The blueprint now forms the basis of Programme Enable which, when funded, will transform our customer service, reduce our operating costs, make our technology systems more resilient and modernise our organisational design to make SLC a simpler, modern, digital organisation. This is our vision, and the direction we are committed to.

Last year, a Board and Shareholder working group considered how SLC's strategic framework would be updated to reflect this vision. The aim to make SLC simpler, modern and digital is reflected in our vision statement. Reflected as well is the critical role SLC plays in supporting the two key Government Missions that are relevant to student finance – breaking down barriers to opportunity and supporting economic growth. Colleagues' views were also central to the process, with the aspects of our previous strategic framework that resonate with our people remaining: 'outstanding customer experience', 'great place to work', and 'trusted delivery partner'.

Our vision statement sets out a simplified strategic framework for SLC – a clear purpose and objectives, underpinned by key outcomes which are being refined as part of Enable. Everything we do will be delivered in line with our new SLC values of honesty, empowerment, accountability, respect and trust.

# Vision Statement







02

SLC's Priority and Performance Focus for 2025-26



SLC plays a critical role in the further and higher education sectors. We deliver the student finance policies of our four government shareholders by assessing<sup>1</sup> and paying loans and grants to students, by paying tuition-fees direct to institutions, and by collecting repayments against student loans. Through this core remit, SLC plays a significant role in supporting the security, stability and integrity of the further and higher education system. This means SLC is a significant contributor to the UK government missions of breaking down barriers to education and generating economic growth.

This Annual Business Plan sets out SLC's priorities for the financial year ahead:



**Customer**

**Maintain our core Customer Service Levels**

Help our customers through the Apply for Student Finance and Manage my Balance services to ensure right payment and repayment at the right time.

**Improve Disabled Student Allowance**

Continue to transform the DSA application experience, making it faster and easier for customers to secure their critical support.

**Optimise Digital services**

Drive digital-first self-service and channel shift by proactively guiding customers to stay within digital channels and by reducing contact.



**Colleague**

**Accelerate our Great Place to Work aspirations**

Follow through on SLC-wide and local directorate action plans following the Our Voice survey, improving our colleague experience index.

**Continue to develop and embed our Culture**

Implement SLC's values and continue to build an inclusive environment where people, purpose and performance thrive.

**Build our skills**

Identify and develop the skills and ways of working needed today and for the future.



**Shareholder**

**Support shareholder priorities**

Work with all shareholders to successfully progress HE and FE Reforms, including ensuring that LLE is ready to launch for September 2026.

**Reduce risk**

Reduce risk exposure for technology and security by continuing the focus on cyber security, GDPR and reducing technical debt.

**Managing Public Money**

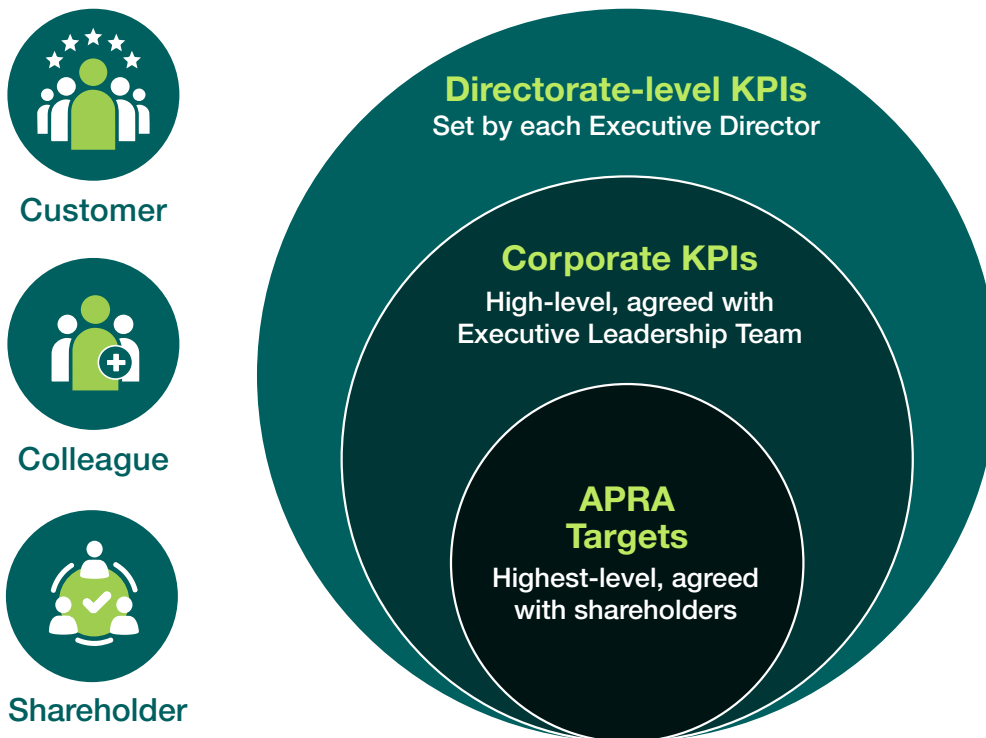
Effectively and efficiently manage public money to deliver within our financial controls and exceed our fraud and error rate reduction commitments.

<sup>1</sup> SLC manages the full end-to-end apply, assess, pay and repay processes for undergraduate financial support in England and Wales; we provide the payment and repayment parts of this service for Scotland and Northern Ireland; and we maintain online technology services for applications in Northern Ireland. SLC also provides services for further education and postgraduate student finance tailored to the requirements of the individual government administrations. We administer targeted support grants, such as the Disabled Students Allowance (DSA) and Childcare Grants for two of our shareholders, the UK Government's DfE and the Welsh Government. SLC also administers bursary payments on behalf of many higher education providers.



Alongside our priorities, we intend to use FY25-26 to progress Enable incrementally in readiness for the needed investment through CSR. We will target efficiency savings, invest where we can to protect taxpayer money, customer data and reduce risk and lay the foundations through strategic workforce and operating model planning for the organisation we need to become. Perhaps most critically, we will continue to progress the development of the single student finance platform that will underpin LLE and enable us to move from complex legacy technology to a simpler, modern, digital platform.

Our plans and performance measures are aligned to the objectives in our vision statement. This plan sets out the highest-level measures and targets, as agreed with our Board and set by shareholders in the Annual Performance and Resource Agreement (APRA). The Board and shareholders additionally review monthly performance data presented in the Corporate Performance Dashboard.







# 03

## The Customer Lens



We anticipate a similar pattern to the last academic cycle, with around 1.4 million full time undergraduate applications. We expect approximately a further 300,000 customers to begin repaying their student loans from April 2026, bringing the total number of customers in repayment to around 7 million and the total value of the loan book to over £300 billion.

We expect further growth in complex applications and from customers who need additional support, including customers applying for Disabled Student Allowance (DSA). These applications require greater colleague intervention and that is why it is so important to be able to invest in digital services that enable the majority of our customers to self-serve so that we can redirect our resources to offer assistance to those who most need help.

The ambition of SLC’s channel strategy is to guide most customers to a fully automated self-service experience, with increasingly assistive support available across a range of channels for those who need it most. This approach also supports our efforts to increase efficiency, reduce cost and align to the government digital strategy.

We aim to continue to make it easier for customers to complete their applications and make repayments online via our two ‘Top 75’ government digital services<sup>2</sup> – ‘Apply for Student Finance’ and ‘Manage my Balance’. Our progress towards a single student finance platform for LLE will be transformational for SLC technology and transformative for customer and colleague experience.

**We expect another challenging year, given the financial constraints that we, like many others in the public sector operate within, but we aim to ensure that we:**

- maintain our customer service levels;
- continue to optimise and automate our digital services, including through the adoption of generative and conversational AI;
- improve the service for our DSA customers.

<sup>2</sup>The Government’s Central Digital and Data Office (CDDO) maintains a list of the top 75 digital services provided by Government. As part of their Roadmap for Digital and Data, CDDO is committed to getting 50 of the top 75 services to a “great” standard by 2025. Two of the services on this list are SLC’s “Apply for Student Finance” and “Manage my Balance”.

## Maintain our customer service levels

Delivery of the academic cycle, for our customers and for the institutions they attend, is our leading priority each year and is core to our purpose of enabling opportunity.

### To deliver the academic cycle we will:

- Securely and efficiently deliver our Apply for Student Finance and Manage My Balance services
- Guide customers into the right channels at the right time by enhancing self-service – and when customers do need support, give them easy access to their preferred - and most efficient assisted-contact channel – Live Chat
- Continue to deliver better customer outcomes, including by agreeing a Customer Treatment policy

## Optimise Digital services

Year on year, we see more customers engage with SLC's digital channels by applying and managing their applications and accounts online, digitally uploading evidence and using Virtual Assistant and Live Chat to answer questions.

### To continue to guide customers to the right channels at the right time, with a focus on digital service delivery, aligned to Enable, we will:

- Improve the online experience for customers, making SLC leaner and delivering cost savings in the process
- Optimise customer channels using Generative AI
- Test the concept of an empowered, expert and dedicated multi-disciplinary team aligned to our core Apply for Student Finance service to deliver rapid improvements to digital services
- Introduce new robotic automation to make the customer and colleague journey smoother



## Transform the service we provide to disabled students

For the last two years, SLC has been working with the sector and partners to reform the service we provide to customers who are entitled to further financial support through the Government's Disabled Student Allowance scheme.

We have delivered a single point of contact for all elements of the service, enabling a simpler and smoother application process and established a commercial framework that has improved value for taxpayer money. In March 2025, we implemented new technology, linking DSA supplier system links with SLC which automated data sharing, meaning that our customers only need to supply eligibility evidence once.

The process to reform the DSA service has been challenging, and we will continue to make improvements but with our focus firmly on delivering better customer outcomes. It is welcome that our customers are telling us that they are more satisfied with the DSA service now.

### To continue our progress, this year we will:

- Prioritise DSA applications to reduce the overall application time for our customers
- Work with partners to provide a seamless, customer journey that makes it even easier for customers to secure the support they need
- Simplify and further automate the technology supporting DSA processes – making it easier for our colleagues to help our customers
- Continue to engage with stakeholders, including with DSA Quality Committee to further enhance services aligned to customer needs

## Key Performance Targets for the Customer Lens

- Apply for Student Finance Customer Satisfaction to be  $\geq 75\%$ .
- Manage My Balance Customer Satisfaction to be  $\geq 62\%$ .
- DSA Customer Satisfaction to be  $\geq 70\%$ .
- Ease and Efficiency, which measures digital engagement to be  $\geq 92\%$ .
- Quality Outcomes, which measures how effectively SLC is delivering the right outcomes for customers and taxpayers, to be  $\geq 92\%$ .



## 04

## The Shareholder Lens



SLC's key role in delivering for our government shareholders is to pay loans and grants to students and pay tuition fee loans to education providers (on behalf of students). We are also responsible for collecting every pound due from customers once they are earning and due to repay their loans.

As well as our ongoing commitment to deliver our shareholders' annual student finance policy priorities, we continue to work towards the launch of the Lifelong Learning Entitlement (LLE) in England from September 2026, for courses starting in January 2027. LLE will provide individuals with a loan entitlement to the equivalent of four years of tertiary education to use over their lifetime. This will facilitate flexible study – allowing individuals to space out their studies, transfer credits between FE and HE institutions, and take up more part-time study.

While our current operating costs will increase further to support LLE, we are exploring, through Enable, how we can more quickly leverage the LLE systems to create a single platform for all student finance delivery. This would allow us to rationalise our legacy technology systems, reducing cost to serve and making for a more resilient digital platform.

### Our priorities this year are to:

- Support shareholder priorities
- Reduce risk, and
- Effectively manage public money

### Support shareholder priorities

In each academic cycle, SLC delivers the student finance policies of our four government shareholders in England, Scotland, Northern Ireland and Wales by assessing and paying loans<sup>3</sup> and grants to students, by paying tuition-fees direct to institutions, and by collecting repayments against student loans.

<sup>3</sup> SLC provides a differential service to each shareholder as noted in Footnote 1 (on page 10).



SLC is also responsible for the application and assessment service that will enable LLE delivery for Student Finance England. We are working in partnership with DfE and other stakeholders to deliver an efficient and effective single student finance platform that will primarily support LLE but will also provide a platform to migrate all products and for all shareholders.

#### To support shareholders, we will:

- Safely deliver agreed shareholders' policy requirements for academic year 25/26
- Continue our co-design approach to policy development and operational delivery with shareholders to deliver any additional priorities emerging from the Comprehensive Spending Review
- Implement the final phase of Repayments Plan 5 with collections commencing in FY25-26
- Complete Alternative Student Finance inception for DfE

#### LLE

- Progress LLE delivery to ensure readiness for a successful launch in September 2026
- Develop and implement the single student finance platform using CX disciplines to lead the customer proposition and journey and service vision
- Work with DfE to support activity to ensure sector readiness for LLE including provision of information on policy around course requirements

## Reduce Risk

SLC has a comprehensive and maturing Three Lines of Defence Model in place with companywide risk assessments, key controls, risk appetite and associated key risk indicators supporting risk-based decision-making and prioritisation.

Our Economic Crime Prevention Unit, which we established to protect public money has been integral to SLC's efforts to identify and tackle financial crime in the student finance system, working alongside our partners, DfE and the Office for Students. With the Public Sector Fraud Authority now coordinating the response to student fraud at franchised providers, SLC stands ready to continue to support this work through sharing our expertise and monitoring and reporting data.

As a Trusted Delivery Partner, we are committed to protecting taxpayers' money and data.

**To continue to manage our risk exposure we will:**

- Complete the final rollout of our Governance Risk and Compliance tool and look to further enhance our risk reporting and management capabilities
- Remain vigilant and alive to the cyber risk landscape and emerging threats. We will continue to align to Government Cyber Security best practice, specifically 'Secure by Design' and 'Defend as One'
- Continue to focus on GDPR compliance in terms of data minimisation, retention and where appropriate data deletion
- Prioritise investment to preserve the integrity of our legacy platforms and systems until such time as these are replaced and, or consolidated onto more modern supported systems
- Maintain both our disaster recover capabilities (systems recovery) and our wider business continuity planning, with regular biannual testing across a range of scenarios

## Managing Public Money

Across the public sector, finances are constrained and there is a requirement for all public sector organisations to drive the best value for money while delivering the best possible outcomes.

As this plan shows, we are committed to playing our part in reducing cost, managing risk, and delivering the best outcomes for customers, colleagues and shareholders.

The overall funding provided to SLC by DfE is detailed in the table below. Our core budget is aligned to FY24-25 funding, though additional funding for specific DfE initiatives, including LLE, has been allocated.

£m*	Admin	Programme	Capital
DfE Confirmed core funding for FY25-26	42.9m	210.1m	26.8m
DfE investment for specific initiatives including LLE	1.2m	40.4m	0.5m
<b>Total SLC budget</b>	<b>44.1m</b>	<b>250.5m</b>	<b>31.5m</b>

\*Budget details are correct at time of publication, but may be subject to change via. a revised APRA letter.

## Key Performance Targets for the Shareholder Lens

Variance from approved Administration budget is to be between 2% (underspend) and 0% (overspend).

Variance from approved Programme budget is to be between 5% (underspend) and -1 % (overspend).

Variance from approved Capital budget is to be between 5% (underspend) and -5% (overspend).

Technology Service Experience to be  $\geq 90\%$ .

Repayment Efficiency to be  $\geq 90\%$ .

Fraud Savings to be at least £47.3m, constituting an 18.7 to 1 return on investment.





## 05

## The Colleague Lens



Our people are at the heart of everything we do. We're proud of how each colleague contributes to our purpose of enabling opportunity through the delivery of student finance across the UK. We're focused on making SLC a great place to work where people can thrive, grow their careers, and feel proud to work.

**To support this, we've launched a new multi-year People Strategy to guide us through change and shape a colleague experience at SLC that is:**

- Simple: we will remove complexity and simplify to improve our colleague experience
- Modern: we will take advantage of recent and emerging trends and developments to improve our people offering
- Digital: we will work to a digital-first approach to solution design
- Personal: we will ensure our design and solutions are relevant and meaningful to colleagues
- Human: we will take a human-centred design and implementation approach to make colleagues' work-life better

**Our goal is to create an inclusive environment where people, purpose and performance thrive. This year, we're focusing on three priorities:**

- Accelerate our Great Place to Work aspirations
- Continue to develop and embed Our Culture
- Build our skills

## Accelerate our Great Place to Work aspirations

Each year SLC asks colleagues what we can do to make SLC a great place to work in the Our Voice survey. In 2024, we changed our measurement approach to a colleague engagement index to provide richer insights than we have previously had.

While there were positive results in the 2024 survey including validation that colleagues feel SLC is an inclusive employer that focuses on wellbeing, there are also areas we need to work on. We have developed corporate and local action plans that we are already delivering across a range of themes.

**To build an engaged workforce, supported by effective line management and leadership we will:**

- Take action on the areas that our colleagues say matter to them: colleague wellbeing; recognition and reward; workload and enablement; and communication
- Maintain workplaces that are good for colleagues while supporting our environmental, sustainability and our net-zero commitments (see page 26)

**Continue to develop and embed Our Culture**

Last year we developed a new set of SLC values to help build alignment across our teams and functions; shape the way we collaborate and communicate; and strengthen the impact we have on the customers and communities we serve. By embedding visible, colleague-led values we aim to create a culture of consistency, belonging and integrity.

**To achieve this, this year we will:**

- Implement and embed SLC’s revised values across the colleague lifecycle: targeting performance management and recruitment initially
- Continue to build an inclusive environment through delivery of our 3-year EDI strategy
- Develop and launch a new colleague Wellbeing Strategy
- Refresh our reward strategy, emphasising total benefits
- Celebrate colleagues via the People Star Awards
- Support colleague-led networks to continue to grow and flourish

**Honesty**

We act with integrity and transparency in all we do

**Empowerment**

We enable people to take ownership and make a difference

**Accountability**

We take responsibility for delivering results and outcomes

**Respect**

We value people, perspectives and diversity

**Trust**

We are one-team, building strong dependable relationships



## Build our Skills

SLC is committed to developing the skills of its colleagues. Through our Career Pathways programme, we offer a suite of tools from Personal Development Plans and Career Coaching, to sharing Colleague Career Journeys to inform and inspire. We also offer Leap of Faith where colleagues can 'leap' into another role to job-shadow and understand more about the skills they may need to grow their career.

We have developed new strategic workforce planning tools and capability so that we can align our resources to our future business strategy and workforce requirements; cultivate the right future skills and capabilities; and ensure SLC's organisational design aligns to a more modern, digital workplace. We have captured the current skills of our workforce, creating a baseline to assess future skills requirements.

### To develop the skills and ways of working needed today and for the future, we will:

- Use the workforce skills baseline to identify gaps in core (Customer, Change, Digital, Data & Risk) and strategic (to be identified as part of Enable) skills framework
- Develop SLC-wide learning to grow and embed our core skills as well as building critical professional skills
- Launch a strategic workforce planning tool which harnesses the power of our collective current skills
- Build on the multi-disciplinary team pilot, cascading lessons learned to the wider organisation

## Key Performance Target for the Colleague Lens

Shareholders have set a stretching target for Employee Engagement - Employee Engagement to be  $\geq 60\%$



## 06

## Environmental, Social and Governance



SLC is committed to sustainability in all aspects of our operations. We will publish a new strategy this year aligned to the five-year Greening Government Commitments period which sets SLC's commitment to reducing our environmental impact, maximising resource efficiency, and fostering a culture of sustainability through three key areas:

### **Working towards net zero and adapting to climate change:**

We are committed to achieving net zero carbon emissions and enhancing SLC's resilience to the impacts of climate change. This involves implementing energy-efficient practices, investing in renewable energy sources, and developing adaptive measures to protect SLC's office estate from climate-related risks.

### **Restoring and enhancing nature:**

Our strategy prioritises the restoration and enhancement of natural ecosystems within the SLC's office estate. By restoring natural habitats and enhancing biodiversity, we contribute to the health and well-being of our environment and local communities.

### **Improving SLC's use of resources and services:**

We are dedicated to maximising resource efficiency and promoting sustainable consumption and production across the office estate. This approach includes: responsible waste segregation, reduction of overall waste, procuring sustainability and the optimisation of water and energy use.





## 07

## Further Information



SLC is a UK public sector organisation established to provide student funding (in the form of loans and grants) to approximately two million new and returning students annually in Higher and Further Education across England, Northern Ireland, Scotland and Wales. The company is wholly in public ownership; the four UK Government Administrations are its shareholders and since April 1996 SLC has been classified as an executive non-departmental public body (NDPB).

SLC has arrangements in place to ensure good corporate governance, and the Framework Document, which can be found at [www.gov.uk/slc](https://www.gov.uk/slc), provides comprehensive detail of the roles and responsibilities of Executives, Board members and Shareholders, and the remit of the two standing Committees – the Audit and Risk Committee (ARC) and the Remuneration Committee (RemCo).

The Responsible Minister accounts for SLC's business in the Parliament of the United Kingdom. The Sponsor Department, acting on behalf of the devolved administrations, is responsible for appointing the SLC Chair and Non-Executive Directors and determining their terms and conditions. Appointments are made for a period of three years and comply with the Code of Practice for Ministerial Appointments to Public Bodies. The Sponsor Department, acting on behalf of the devolved administrations, also approves the Board's appointment of the Chief Executive.

Details about SLC's executive and non-executive teams can be found at <https://www.gov.uk/slc> along with the addresses and contact details for our offices.



Student Loans Company

SLC is established as a company limited by shares under the Companies Act with its registered office at Memphis Building, Lingfield Point, McMullen Road, Darlington, DL1 1RW