

Ed Smith
Chairman
The Student Loans Company Limited
100 Bothwell Street
Glasgow G2 7JD

31 March 2011

Dear Ed,

**THE STUDENTS LOANS COMPANY LIMITED (SLC):
ANNUAL PERFORMANCE AND RESOURCE AGREEMENT FY 2011-12**

I am writing to you on behalf of all Administrations to set out the SLC's resources, priorities and performance targets in financial year (FY) 2011-12 as well as some particular areas on which I would like the Board to focus.

The service delivered for Student Finance England for the academic year 2010/11 applications cycle was a marked improvement on the previous year and I am grateful to the leadership team for the work they have done to support the Company in delivering these improvements.

The coming year, and beyond, provides a challenging time for the Company. From an England perspective, the SLC will, for the first time, be the only organisation responsible for processing all student finance applications. In addition, I am looking to the Company to begin the implementation of the Higher Education reforms for 2012/13. The key challenges for the Board and Executive Team are to lead the Company in continuing improved performance in the timeliness and accuracy of processing applications, your responsiveness to customers and ensuring that there is good management of the student loan finances. All of this is to ensure that the SLC continues to improve its service for students and their families.

In relation to Wales, the Company will need to ensure that planned reforms of higher education and student finance can be implemented fully in 2012/13. This will require you to work with the Higher Education Funding Council for Wales over the coming year to put in place the new tuition fee grant for students ordinarily resident in Wales and to implement any further reforms agreed by Welsh Ministers in respect of part-time higher education in Wales. Additionally, Scotland are looking to you for support to be given to the project involving the Student Awards Agency for Scotland (SAAS) taking over the payment of student loans for Scottish students.

In the past, all four UK Government Administrations have set a single Strategic Commission for the SLC covering the period of the spending review, the last one set in April 2008. With elections due in the Devolved Administrations in May, and the England HE White Paper not yet published, I am not in a position to issue a single, all country Strategic Commission. Instead, for England we have asked the SLC to provide a strategic delivery plan which sets out the expectations we have for England over the period of the Spending Review to respond to the challenges of Higher and Further Education Reforms, the need for closer working relationships with HEFCE and UCAS, continued involvement in BIS' work on the monetisation of the loan book, and the tighter budgetary settlement across the public sector.

We expect to issue a full Strategic Commission on behalf of all Administrations in the autumn following the setting of priorities by the new Administrations. The standard, business as usual requirements from the current Strategic Commission are set out in **Annex A**. Potentially there may be considerable policy changes in all Administrations during this financial year giving rise to new and urgent issues requiring the Company's attention. Each Administration has separately communicated its current requirements for service delivery and change improvements, which are set out in your Business Plan. The SLC Board will need to maintain awareness of the policy and delivery context of each Administration and be ready to respond to additional priorities as they emerge.

The relevant priorities, objectives, performance measures and targets agreed with the Administrations for FY 2011-12 are summarised at **Annex B**. The SLC Board is responsible for ensuring that the service is operating as it should and that there are robust plans in place. The Board must ensure that it has sufficiently reliable, detailed and timely management information and analysis to provide the appropriate degree of monitoring and challenge required.

The funding available for SLC from all the Administrations for FY2011-12 is set out in **Annex C**. You should note that Departments will not be holding any central contingency fund and that there will therefore be no additional funding available if the Company over-commits its budget. This means that in delivering its objectives the Company will have to manage its own finances, commitments and risks within its allocation and ensure it can accommodate any unexpected costs within its own budget. This does not preclude instances of additional projects with supporting funding being agreed with Administrations during the course of the year.

The changes SLC is required to undertake for all the Administrations in FY 2011-12 have been communicated to you and are set out in your Business and Financial Plans. Funding for all of these changes has been included within the budgets allocated in this letter, with the exception of several initiatives set out in note 4 of Annex C.

For England, your budget allocation includes additional funding for agreed changes to deliver the Higher Education reforms. I recognise, however, that SLC has limited staffing capacity to deliver change and that there remain uncertainties around what SLC will be asked to deliver in FY 2011-12. The amount of work that SLC will be asked to contribute to deliver the changes to Further Education funding in England is being considered and additional funding will be made available from BIS once the scope of that work has been finalised. There are also continued uncertainties about longer term Higher Education reforms and there may be proposals in the White Paper that impact on what SLC is able to deliver. I understand the SLC Board will need to consider the relative priorities and in discussion with BIS and the Devolved Administrations agree what can be delivered in FY 2011-12. I will write to you again with an addendum to this letter to confirm any changes agreed and to confirm any resulting adjustments to the agreed funding.

The framework within which Departments and partner organisations have to operate has changed as a result of the fiscal situation with factors such as the introduction of spending controls by the Cabinet Office and BIS, and Clear Line of Sight and of the administrative cost limits. We understand the need to ensure that these tight central controls do not adversely affect your operational ability and, with the SLC's early and positive engagement, will work with the SLC to seek exemptions where required and to obtain increased flexibility where possible. The Company should have due regard for the following in particular, consulting with all the Government Administrations where appropriate:

- Cabinet Office and BIS controls on spend and reporting requirements. These cover spend on marketing and advertising, ICT, advisory consultancy, estates as well as recruitment and pay freezes and the movement of procurement to collaborative contracts.
- Cross-government policy set by the Efficiency and Reform Group on the delivery of public services and the use of channels (web, contact centres/helplines and face to face), including: reporting management information, meeting technical and usability standards, and consolidating onto common channels and systems.
- The ambition and developing plans for shared corporate services across BIS, the Devolved Governments and all appropriate partner organisations. This would involve consolidation of supporting ICT systems.
- The approaches being developed to reduce procurement expenditure across BIS, the Devolved Governments and its partner organisations in specific categories, including facilities management, travel, recruitment, professional services and ICT.
- In corporate plans for the spending review period, ensure that an ICT plan for services, systems and ICT contracts is included that is in line with both BIS ICT strategy and Government ICT strategy.
- Transparency is a key operating principle for BIS and it is expected that Partner Organisations should also meet the commitment to embed greater transparency as a core operating principle and to provide assurance to BIS on initiatives and policies in place to support this.

- Ensure that the BIS Senior Pay Oversight Committee is consulted as appropriate as part of the process of recruiting, appointing and rewarding senior staff.
- Continue to work with BIS on the alignment of assurance mechanisms and processes. Further guidance on this will follow.
- Carefully monitor the legal financial commitments entered into during the Spending Review and provide regular information on commitments made to the Department. Further guidance will follow on this.
- On Clear Line of Sight (CLOS), you will be aware that that BIS is required to publish consolidated resource accounts for 2011-12, which will also require us to produce a dry run set of accounts for 2010-11. CLOS will require the SLC to provide, on a timely basis, both draft accounts information and final audited data, as well as details of counter party transactions in a pre determined format. Further details will be provided in due course.
- Management Accounts – Provide accurate and timely actual figures and forecasts of income and expenditure broken down to an agreed level on a monthly basis.

Following considerable turbulence in the Company over the last year or so, I am pleased that there is now a full, permanent Executive Team in place. I look to the Board to provide the Executive Team with the appropriate support and challenge and to hold it to account for the Company's performance. The SLC Board is also required to ensure it has appropriate governance and assurance mechanisms to enable it to oversee all of the Company's operations and to have early warning of potential problems.

In particular I look to the Board to ensure that the Company:

- remains focused on the needs of customers and sponsors in the service it provides;
- continues to address the cultural issues and ways of working noted in the Hopkin and NAO Reports and puts in a place a comprehensive plan for organisational development;
- strengthens its programme management capabilities which identifies and manages risks as well as enabling the Company to have an end to end view of its systems and processes;
- reviews its ICT capacity and that a strategy is put in place to address any shortcomings;
- builds its strategic capability to respond to the changing needs of Higher Education, working with the Departments and a range of stakeholders to improve the student finance service as an increasingly important deliverer of HE funding;
- effectively discharges its duty to safeguard public finances by ensuring accuracy of assessment, payment and repayment with robust measures in place to minimise fraud and taking note of best practice where it is highlighted;

- manages the Company's contribution to the Government's spending controls, and in particular focuses on delivering efficient and effective operations without compromising the standards in performance measures set by the SLC Board and the Administrations.

As Ministers are ultimately accountable to Parliament for the Company's performance, my officials will continue to seek evidence-based assurance from the SLC Board and Executive team that the student finance service is being properly managed and monitored; that technology and process changes are delivered smoothly; and that proper contingency plans are in place. I look to the Board to provide Ministers and officials with prompt early warning of any areas of concern and we will continue to work with you to provide any necessary support.

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David

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Core functions of the SLC

The Student Loans Company (SLC) administers government funded loans and, in some administrations, grants to HE and FE learners, on behalf of England, Wales, Scotland and Northern Ireland, in line with the policy aims of the relevant administrations. Currently the primary roles of the company are to:

- Deliver financial support to eligible students pursuing higher education in accordance with the student support regulations and relevant public policy objectives. In Scotland, this is done in partnership with the Student Awards Agency for Scotland (SAAS);
- Deliver appropriate information, advice and guidance to all customer groups at the right time and in the right form;
- Pay to Higher Education Institutions the public contribution towards tuition fees for England, Wales and Northern Ireland;
- Work in partnership with HM Revenue & Customs (HMRC) to ensure repayments are collected on time from all those due to repay under the Income Contingent Repayment Loan Scheme, and to manage the direct collection of voluntary additional repayments in respect of these loans;
- Manage the direct collection of repayments for loans granted under the former Mortgage Style Loan Scheme;
- Use technology and improved business processes to streamline the student finance system, make service improvements and improve the customer experience;
- Undertake specific tasks for individual Administrations, such as payment of Education Maintenance Allowances, and administer on behalf of the private sector any sold portfolios of Income Contingent Repayment loans.

Shared UK requirements

- Payment of the right amount of support, to the right people at the right time;
- (In conjunction with HMRC) Repayment of the right amount of Income Contingent Repayment loan balances at the right time, minimising the cost to the taxpayer by reducing collection "frictions" which impact on our respective Resource Accounting and Budgeting charges for loans;
- Provide a service designed to meet the needs of the customer, so that high levels of customer satisfaction are achieved for all customers at all stages of the customer journey;
- Provide an efficient and effective service that delivers value for money for funding organisations and strikes a balance between cost and other success measures;
- Provide expert advice to Administrations on operational delivery;
- Provide high quality data and information to support Administrations' policy making and analysis; and
- Implement policy and operational change smoothly.

SLC Balanced Scorecard: Performance Measures for FY 2011-12

The SLC Balanced Scorecard format and content has been revised for FY 2011-12.

The Scorecard was previously derived from the SLC's Delivery Strategy, written in response to a formal Strategic Commission from all four UK Government Administrations in April 2008 to cover the last Spending Review period. With elections due in the Devolved Administrations in May and the England HE White Paper not yet published, we are not in a position to issue a single, all country Strategic Commission. We expect to issue a full Strategic Commission on behalf of all Administrations in the autumn, following publication of the HE White Paper and the setting of priorities by the new Administrations.

The Scorecard for FY 2011-12 is therefore structured around the three overarching priorities and nine business objectives for the year ahead that have been identified in the SLC's Annual Business Plan:

PRIORITIES	OBJECTIVES
1. Deliver cost-effective services that meet the needs of our customers	1. Deliver a safe, efficient and customer-focused AY 11/12 student finance cycle for England
	2. Provide agreed services to Devolved Administrations and the HE Sector
	3. Maximise repayment and collection efficiency and effectiveness
2. Support Government Administrations' wider objectives in developing sustainable student finance delivery arrangements for the future	4. Manage public money effectively and deliver agreed SR savings
	5. Support development of Higher Education and Further Education funding policy
	6. Deliver agreed sponsor-led change programmes and projects and launch the AY 12/13 student finance cycle on time
3. Develop and improve our delivery capability	7. Develop the right staff capability, capacity and organisational culture
	8. Improve service delivery outcomes by enhancing quality and reducing risk in conjunction with delivery partners
	9. Enhance and upgrade ICT capability so that it remains fit for purpose and is able to meet future demand

A distinction will continue to be made between those measures and targets that are agreed with the Government Administrations and set out in this letter (previously referred to as 'aims') and those that are set and managed by the SLC Board in order to ensure that the Company has the capacity and capability to deliver those aims effectively, both now and in the future (previously referred to as 'enablers').

BIS, the Devolved Administrations and BIS have therefore agreed measures and targets to support delivery of priorities 1 and 2, and objectives 1 to 6. A summary of these measures are set out below. The SLC Board have agreed measures and targets to support deliver of priority 3 and objectives 7 to 9. These Scorecard measures replace those set in FY 2010-11.

All of the scorecard measures are detailed in a full set of technical notes which confirm the measurement methodology. These are available on request.

The Scorecard remains a strategic performance management tool, used to assess performance across the range of SLC business across the financial year. Detailed operational management information will also be made available to the SLC Board on the progress made in delivering the current Student Finance England application cycle.

Progress against all of the Scorecard measures will be reviewed by the SLC Board on a monthly basis. In addition, Ministers and Senior Officials will conduct a quarterly review of SLC's performance on the measures that underpin priorities 1 and 2. The BIS Student Finance England Policy, Delivery and Assurance Board will also provide oversight and seek assurance on performance against all of the priorities and objectives.

CONTENTS

Priority 1: Deliver cost-effective services that meet the needs of our customers

Cross-cutting measures

Customer satisfaction (UK)

Customer complaints (UK)

Objective 1: Deliver a safe, efficient and customer-focused AY 11/12 student finance cycle for England

Core processing time (England)

Targeted support processing time (England)

Customer contact (England)

Effective communication with customers (England)

Online take-up (England)

Objective 2: Provide agreed services to Devolved Administrations and the HE Sector Services for Devolved Administrations and other Stakeholders (Separate measure for each of Wales, Scotland, Northern Ireland and Higher Education Institutions)

Objective 3: Maximise repayment and collection efficiency and effectiveness

Repayment of Income Contingent Repayment Loans (UK)

Repayment of Mortgage Style Loans (England/Wales, Northern Ireland, Scotland)

Repayment of Grant Overpayments (England, Northern Ireland, Wales)

Priority 2: Support Government Administrations' wider objectives in developing sustainable student finance delivery arrangements for the future

Objective 4: Manage public money effectively and deliver agreed SR savings

Assessment and payment accuracy (England)

Fraud and error (UK)

Delivery within agreed budget (UK)

Loans and grants expenditure forecasting accuracy (UK)

Objective 5: Support development of Higher Education and Further Education funding policy

Support development of Higher Education and Further Education funding policy (UK)

Objective 6: Deliver agreed sponsor-led change programmes and projects and launch the AY 12/13 student finance cycle on time

Change Programme Delivery (UK)

Priority 1: Deliver cost-effective services that are operationally excellent and meet customer's needs

Cross-cutting measures

0.1 Customer satisfaction (UK)

No	Title	Weighting	Target
a	Overall Customer Satisfaction	100%	FY2010-11 outturn + 1.6%
		0	≥ 75.1%

0.2 Customer Complaints (UK)

No	Title	Weighting	Target
a	Substantive response to complaints within 15 working days of receipt	75%	≥ 85%
b	Substantive responses within 20 working days of receipt	25%	≥ 95%

Objective 1: Deliver a safe, efficient and customer-focused AY 11/12 student finance cycle for England

1.1 Core processing time (England)

No	Title	Weighting	Target
a	% of core applications, new and continuing, received before the deadline processed before the start of term	25%	≥ 99.0%
b	% of applications, new and continuing, received before and after the deadline, processed within x working days	50%	≥ 70.0% within 20 days ≥ 95.0% within 30 days
c	% of financial evidence assessed to confirm full entitlement within 20 days of evidence being received where it is not provided with the application	25%	≥ 95.0%

1.2 Targeted support processing time (England)

No	Title	Weighting	Target
a	DSA applications processed within 2 weeks of receipt	35%	≥ 95.0%
b	DSA needs assessment reports processed within 2 weeks	35%	≥ 95.0%
c	CCG applications with estimated costs processed within 4 weeks	15%	≥ 95.0%
d	CCG applications with actual costs processed within 4 weeks of receipt	15%	≥ 95.0%

1.3 Customer Contact (England)

No	Title	Weighting	Target
a	% Calls Answered	70%	≥ 90% (average)
			≥ 70% (floor, for each 2 week interval across the year)
B	Customer Experience - advisor	10%	≥ 80%
C	Customer Experience - outcome	10%	≥ 74%
d	Customer Experience - consistency	10%	≥ 80%

1.4 Effective Communication with Customers (England)

No	Title	Weighting	Target
a	Customer Satisfaction with, and effectiveness of, Information, Advice & Guidance	100%	≥ 73%

1.5 On-line Take-up (England)

No	Title	Weighting	Target
a	On-line Take-up - Students	67%	≥ 90%
b	On-line Take-up - Sponsors	33%	≥ 60%

Objective 2: Provide agreed services to Devolved Administrations and the HE Sector

No	Title	Weighting	Target
2.1	Performance v SLA – Northern Ireland	25%	Only minor elements of the service agreement not met
2.2	Performance v SLA – Scotland	25%	Only minor elements of the service agreement not met
2.3	Performance v SLA – Walés	25%	Only minor elements of the service agreement not met
2.4	Performance v SLA – HEIs	25%	Only minor elements of the service agreement not met

Objective 3: Maximise repayment and collection efficiency and effectiveness

3.1 Repayment of Income Contingent Repayment Loans (UK)

No	Title	Weighting	Target
a	% borrowers in repayment channel (UK & EU incoming cohort)	40%	≥ 96.3%
b	% UK resident borrowers in repayment channel (past cohorts)	40%	≥ 98 %

c	% Overseas resident borrowers in repayment (past cohorts)	20%	≥ 70 %
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3.2 Repayment of Mortgage Style Loans (England/Wales, Northern Ireland, Scotland)

No	Title	Weighting	Target
a	% MS loan accounts not in arrears	100%	≥ 91.7%

3.3. Repayment of Grant Overpayments (England, Northern Ireland, Wales)

No	Title	Weighting	Target
a	% Grant overpayments making a payment	100%	≥ 21.7%

Priority 2: Support Government Administrations' wider objectives in developing sustainable student finance delivery arrangements for the future

Objective 4: Manage public money effectively and deliver agreed SR savings

4.1 Assessment and Payment Accuracy (England)

No	Title	Weighting	Proposed
a	Predicted Payment Accuracy (financial variance)	100%	≤ ±0.5%

4.2. Fraud and Error (UK)

No	Title	Weighting	Target
a	Fraud & Error	100%	5% increase in the number of cases in FY10-11 where erroneous payments are prevented as a result fraud monitoring

4.3 Delivery within agreed budget (UK)

No	Title	Weighting	Target
a	Delivery within agreed budget	100%	Year end outturn between a -5% underspend and zero overspend against the agreed budget

4.4 Loans and grants expenditure forecasting accuracy (UK)

No	Title	Weighting	Target
a	In year forecasting accuracy (mid year)	50%	≤ ± 2.25%
b	In year forecasting accuracy (9 month)	50%	≤ ±1%

Objective 5 – Support development of Higher Education and Further Education funding policy

5.1 Support development of Higher Education and Further Education funding policy (UK)

No	Title	Weighting	Target
a	Stakeholder satisfaction	100%	Conduct survey by 1 September 2011.

Objective 6: Deliver agreed sponsor-led change programmes and projects and launch the AY 12/13 student finance cycle on time

6.1 Change Programme Delivery (UK)

No	Title (UK-WIDE)	Weighting	PROPOSED TARGET
a	Change Programme Delivery	100%	GREEN against evaluation criteria

SLC Budgetary Information for FY 2011-12

£000s	UK TOTAL	BIS (England)	SAAS (Scotland)	DELNI (NI)	DELNI EMA	DCELLS (Wales)	DCELLS E(MA)	HEIs
Not-Ringfenced DEL								
Non-Ringfenced DEL	102,864	90,743*	3,194	2,562	917	3,656	1,823	-31
<i>*to which the following BIS controls apply (see note 3)</i>								
Administration (non-frontline) Resource excluding HE Reform implementation		33,494						
Programme (frontline) Resource excluding HE Reform implementation		51,219						
HE Reform Implementation		6,030						
Capital	5,557	5,208	102	87	0	160	0	0
Ringfenced DEL	5,089	4,585	133	79	37	149	63	43
AME	-194	-194	0	0	0	0	0	0
TOTAL RESOURCE	113,316	100,342	3,429	2,728	954	3,965	1,886	12
Supporting Cash (UK)	108,452	108,452						
IFRS Cash adjustment (UK)	256	256						
TOTAL SUPPORTING CASH (UK, net of output VAT)	108,708	108,708						
<i>B/S to provide SLC's UK cash grant-in-aid requirement</i>								

Abbreviations used in the table: BIS: Department for Business, Innovation and Skills (England); SAAS: Student Awards Agency for Scotland; DELNI: Department for Employment and Learning in Northern Ireland; DCELLS: Department for Children, Education, Lifelong Learning and Skills in Wales; EMA: Educational Maintenance Allowance; and HEIs: SLC's forecast income from individual Higher Education Institutions who have opted into SLC's Bursary and Scholarship Scheme.

Notes

1. The amounts set out above represent the SLC's resource budgets and supporting cash allocation. They represent the maximum amount of resource that the UK Administrations will, provide in pursuance of the priorities agreed with the Departments for FY 2011-12. SLC's forecast of income from the HE Sector is shown for information.
2. SLC's allocations are issued on a full resource basis and are net of any income (i.e. receipts). If your income falls short of the expected profile, you will need to manage this budget shortfall within your allocation. If you receive more income than anticipated, please refer to the BIS Sponsor Team in the first instance before relying on the additional income, as Treasury rules are complex on this matter.
3. Payment of Grant-in-Aid is conditional on SLC abiding by the terms of the Framework Document. Funding must not be moved between the budgetary control totals set out in the table above, namely:
 - Non Ringfenced DEL;
 - for BIS, specific allocations of Ringfenced DEL for Administration (for non-frontline activities), Programme (for frontline activities) and for HE Reform implementation;
 - Capital DEL;
 - Ringfenced DEL; and
 - Annually Managed Expenditure (AME).

Funding allocated to these totals is ring-fenced and no virement will be allowed from or to other budgets without written approval from Departments. We will require separate monitoring controls for expenditure against these categories: Officials will contact you separately to confirm specific monitoring requirements, including administrative/programme splits.
4. The amounts above exclude funding for the following initiatives: work on Further Education funding (BIS); the Department of Health NHS Package (Department of Health via BIS); feasibility work on the monetisation of the student loan book (BIS); DCELLS HE Reforms; Traineeship Allowances (DCELLS) and Pathways to Apprenticeships (DCELLS). Funding for these initiatives will be confirmed separately following agreement on delivery priorities and capacity for FY 2011-12.
5. BIS will not be holding any central contingency fund across the Spending Review period 2011-15. Therefore there will be no additional funding available if you over-commit your budget. This means that in delivering your objectives you will have to manage your own finances, commitments and risks within your allocation and ensure you can accommodate any unexpected costs within your own budget.
6. The system of End of Year Flexibility stock which allowed underspends to be drawn down in future financial years is being removed. It may still be possible to move in year underspends into future years but only if decisions are taken to surrender underspends by November. If the SLC forecasts underspends early in the financial year it should let the Department know as soon as possible.

7. If the Company generates any capital income from assets disposal this will have to be surrendered to Treasury unless we can make an exceptionally strong case for retaining it. Please seek advice from the BIS Sponsor Team.
8. Following advice in Treasury's Consolidated Budgeting Guidance on co-funded NDPBs, BIS will provide cover for SLC's UK cash grant-in-aid requirements in FY 2011-12, and related output VAT. SLC should therefore now submit a single UK grant-in-aid claim to BIS.
9. Cash Management - To comply with Treasury forecasting requirements, if you operate a GBS account you will need to provide forecasts by the 8th working day of each month, for the total value of your expected payments and receipts including the expected value of your grant claim for the following month. This should be broken down into how payments will be made i.e. CHAPS, BACS, POs, GBS transfers, and receipts received. If operating through a commercial account you will need to provide a forecast of the expected value of the following months claim. In either case, to enable BIS to accurately manage its cash requirement, your claim must be received by 7 working days before the start of the month to allow payment on the 1st working day of the month.
10. The above allocations are made subject to the financial delegations which have been separately notified to the Company.
11. Whilst DCELLS acknowledge SLC's funding requirement above, its baseline is currently insufficient to cover the full amount. DCELLS allocation is therefore subject to revision following further discussions with the Company.

Allocations for Financial Years 2012-15

12. The settlement above is based on the unit cost assumptions and volumes as set out in SLC's Financial Plans for each Department. The funding set out above is confirmed on the basis that SLC reaches agreement with Departments on a target trajectory for year-on-year improvements in unit costs over the remaining years of the Spending Review period 2012-15.
13. For illustration, SLC's indicative Spending Review Allocation **for BIS only** for the financial year 2012-13 is set out in the table below:

£000s	Indicative BIS funding for FY 2012-13
Administration (non-frontline) resource	33,494
Programme (frontline) resource	48,704

These figures represent the maximum envelopes for programme and administration Non-Ringfenced Resource DEL which are available to SLC in 2012-13. Indicative funding for additional frontline running costs associated with HE Reforms will be confirmed separately, along with indicative allocations for Capital DEL, Ringfenced DEL and AME.

13. Indicative Spending Review Allocations **for BIS only** for years 2013 -15 are forecast to remain broadly similar in cash terms for programme and administration Non-Ringfenced Resource DEL. Actual budget allocations will be confirmed annually via the formal settlement process and APRA letters.
14. Devolved Administrations will confirm their indicative budgets in due course.