

Student Loans Company to refund over-repaying customers

As part of ongoing improvements to the repayment service, the Student Loans Company (SLC) is trialling automatic bank refunds to customers who have over-repaid their student loans. Customers included in the trial will be those that did not join SLC's Direct Debit scheme to avoid over-repaying and who have not yet responded to communications on how to claim their money back.

Customers whose student loan accounts are in credit may receive a refund if steps can be taken to successfully validate their bank account details. This will be paid directly into customers' bank accounts and will show as 'SLC Receipts' on their statements.

Steven Darling, Director of Repayment & Counter Fraud said: "We are always looking at ways to improve the service that we provide, that's why we are starting this trial, alongside other improvements to the repayment service that we'll be introducing later this year.

"While we're always pleased to be able to refund customers, we do not want customers to over-repay in the first place. Repaying too much is avoidable because we ask customers to take control of the final stages of loan repayment and make the switch from repaying through their salary to Direct Debit. We want all of our customers to keep their details up to date so that we can let them know when it's their time to put a Direct Debit in place and strongly urge customers to take this action."

The UK Government has recently announced that an improved Online Repayment Service will launch in 2020; these ongoing improvements to repayment services are made possible by the more frequent sharing of customers' repayment information between SLC and HMRC since 2019. The new online service will make it easier than ever for customers to keep their contact information up to date so that they never miss important information about their loans. The service will also let customers see where they are in their repayment journey which will make it easier for them to manage the final stages of repayment.