

The complaint

Miss H complains that Erudio Student Loans Limited (“Erudio”) were wrong to apply a County Court Judgement to her credit file in relation to her student loan.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead I’ll focus on giving my reasons for my decision.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Having done so I agree with the investigator’s opinion for the following reasons. I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

- The student loan deferment ended in February 2016. I’ve been provided with copies of the communication sent by Erudio to Miss H on 24 May 2016. This confirmed that unless she got in touch before the 21 June 2016 the loan would be terminated, and her deferment rights would cease. I’ve not seen evidence that Miss H did contact Erudio in that period. So, I think it was reasonable to terminate the contract as the deferment period had lapsed; Miss H hadn’t been in touch to make a new application and the account was in significant arrears.
- Miss H says she didn’t receive any correspondence, but I can see they wrote to her at the same address they had been given in Miss H’s 2013 and 2015 deferral applications. That address is also listed on her credit file and it’s clear that bank accounts have been registered in Miss H’s name to that address. So, I think it’s likely Erudio wrote to her at the last address they were informed of and I think it’s reasonable to suggest Miss H was responsible for telling Erudio of her new address as she would reasonably have been aware the deferment period had ended. I say that because it’s clear Miss H had made previous deferment applications and would therefore have known how long the deferment was applied for.
- The business wrote to Miss H in December 2017 and in that communication they again explained that the account had been terminated and that the full balance was due. I think Miss H was allowed a reasonable time to avoid the CCJ being applied for as proceedings weren’t taken until 2019.
- I can see that Erudio made mistakes when they wrote to Miss H. For instance, they provided details of an erroneous account and they sent a letter to Miss H that was only meant as an internal communication. But I’ve seen that Erudio compensated

Miss H for the mistakes they made, and I think, in the circumstances, that £100 was enough.

So, I don't think it would be fair to ask Erudio to take any further action.

My final decision

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 15 September 2020.

Phillip McMahon
Ombudsman