

## **complaint**

Mr F complains that Erudio Student Loans Limited (the business) harassed him for payments over an extended period and asked for information he had already provided. He says that the business should pay him compensation and write off his loan.

## **background**

Mr F says that between May 2014 and October 2014 the business harassed him for payments. He says that when he made a complaint the business admitted that the contact was inappropriate.

In 2015, Mr F says that the business began to harass him again asking for information that he had already provided. He says he complained and received a call from the business apologising and saying he had provided what was necessary.

Mr F says he then received a letter saying he would be sent £75 as compensation for the initial period of contact. He says the letter did not reference the issues he experienced in 2015. The letter included a letter dated December 2014 which noted that Mr F's account had fallen into arrears but as the business had contributed to the delay it would remove five month's arrears. Mr F says that the business did not contribute to the issue but caused it. He says that he never owed it any money.

The business says that administrative errors were made in 2014 and that it provided Mr F with its final response to his complaint in December 2014. In this it apologised for the mistakes. The business says that because of the errors made it backdated Mr F's deferment and removed the arrears on his account.

In November 2015, the business says it undertook a review of its complaints in which no compensation was awarded. Based on this it awarded Mr F £75 for the distress and inconvenience caused by his 2014 complaint.

The business says that Mr F had a separate complaint about his deferment in 2015 which was resolved.

The adjudicator did not find that the contact made by the business constituted harassment however he did agree it was inappropriate. He did not recommend that Mr F's loan was written off. He did recommend that an additional £75 compensation was paid, bringing the total compensation to £150.

The business did not agree to pay the additional compensation. It said that £75 was sufficient.

## **my findings**

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

Mr F provided his deferment application form and supporting evidence on 30 May 2014. This was processed and further information was requested. Mr F provided this via emails dated 9 and 11 June 2014. This was all within the timeframe for his deferment to be completed without payments falling due.

The business has accepted that an administrative error meant Mr F's information was not processed. It has also said that although Mr F sent the information again in July 2014 and it was processed a further administrative error meant this information was not received.

Based on this, I find that it was due to errors made by the business that the deferment was not processed in time and payments became due. As a result of this arrears built on Mr F's account. Mr F was then contacted about the arrears.

While I do not find that the contact Mr F received via telephone and letter constituted harassment, I do accept that it was upsetting for him. The business has accepted that the contact was inappropriate and on review of this complaint it awarded Mr F £75 compensation.

My role is not to punish the business but where a mistake has been made to ensure the customer is put back in the same position he would have been had the mistake not been made and, where appropriate, award compensation. In this case the business backdated Mr F's deferment and removed the arrears. I find this put him back in the position he would have been had the mistakes not been made.

The £75 compensation was not offered until the review was undertaken in November 2015. I understand that the business considers this sufficient. However, I find the business' mistakes caused Mr F stress and upset over a number of months. He had to resubmit information and deal with arrears wrongly building on his account.

Mr F has also said that he experienced further issues in 2015 where he was asked for information he had already provided. I understand this issue has been resolved.

On balance, given the inconvenience and upset Mr F has been caused, I find that an additional £75 compensation, bringing the total to £150, is reasonable.

### **my final decision**

My final decision is that I uphold this complaint.

I direct Erudio Student Loans Limited to pay Mr F a further £75 compensation. If Mr F has cashed his previous £75 cheque, then a second cheque for £75 should be sent. However, if the £75 cheque has not been cashed, then this cheque should be cancelled and a cheque for £150 should be sent.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 31 May 2016.

Jane Archer  
**ombudsman**