

## **complaint**

Mr and Mrs M have complained about Erudio Student Loans Limited's actions in respect of their student loans.

## **background**

Mr and Mrs M had student loans with a third party. These were later assigned to Erudio. Mr and Mrs M have complained about a number of aspects about what Erudio then did.

Specifically:

- Erudio didn't respond to them in a timely manner;
- they didn't initially know that Erudio had the authority to collect the debts;
- it won't backdate their deferral forms;
- it's treating them differently from one another; and
- it passed their accounts to a debt collection agency.

Our adjudicator didn't recommend that the complaint should be upheld, as she felt Erudio had acted reasonably.

The complaint's now been passed to me for my final decision.

## **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 M has explained that they wrote to Erudio on 20 May 2015, asking for documentation. I have no doubt that this letter was sent. But unfortunately, it seems Erudio didn't receive it, and that the first contact it had was a further letter on 2 July. It responded on 24 July, as soon as it had the information Mr M had asked for. So I don't think it caused an unreasonable delay.

I also note that, after this, the deferment forms weren't sent to Erudio until the September. Because of this, I'm satisfied that even if Erudio had responded earlier, arrears would still likely have accrued.

I know that Mr M and Mrs M have explained that they didn't know Erudio had the authority to collect the debts. In part, this seems to be because they thought letters from Erudio were junk mail, so threw them away. I can't hold Erudio responsible for this. I can also see that it did send them a notice of assignment in the April, showing that it now owned the debts.

I know that the company that previously owned the loans did accept late deferral forms. But it's not Erudio's practice to do this, and I don't think this is unreasonable. It was Mr M and Mrs M's responsibility to send the forms in on time. So I don't think it unfair that Erudio applied arrears to the accounts.

I accept that it was upsetting that the accounts were passed to a debt collection agency, while the complaint was ongoing. But even when a complaint's being looked at, a company can still continue with its debt collection process. This isn't something I'm able to interfere with.

I know that Mr M and Mrs M feel they're being treated differently from one another. But Erudio's entitled to pursue one debt before another. In this case it seems it is doing so as it's seeking repayment of the higher debt first. This is a legitimate use of its commercial judgment.

**my final decision**

For the reasons given above, it's my final decision not to uphold this complaint. I make no award against Erudio Student Loans Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 22 March 2016.

Elspeth Wood  
**ombudsman**