

complaint

Mr M is unhappy with the way Erudio Student Loan Limited handled an application to defer repayment on a loan he owed.

background

Mr M had a loan with Erudio which was repayable if his earnings went above a specified threshold. But in order to avoid the need to make repayments, he needed to make something called a “*deferment application*.” He made an application in 2014 but he says that administrative errors on the part of Erudio meant he wasn't able to defer.

This meant he was expected to start making payments which Erudio collected by direct debit. Unfortunately Mr M missed a number of payments and, as a result, the entire debt is now payable. He thinks that this all results from the way Erudio handled his deferment application and so he doesn't think he should be expected to pay anything towards his loan.

He's also unhappy that in 2016 Erudio sent him letters explaining that he was in arrears and a default notice.

my findings

On 27 November, I issued my provisional findings on this complaint. I said that the first aspect of Mr M's complaint regarding his deferment application was outside of this Service's jurisdiction because it had been referred to us late. This meant I didn't have the legal power to consider it. Mr M also complained about the letters Erudio sent him in 2016. But in my view, Erudio had to send these letters in order to comply with the law.

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I gave both Erudio and Mr M two weeks to respond to me with any further arguments or evidence they wanted to bring to my attention. Neither side has responded. As such, I'm issuing a final decision rejecting this complaint for the reasons I set out above and in my provisional findings.

my final decision

For the reasons I set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 January 2018.

James Kimmitt
ombudsman