

complaint

Mr J complains about the way Erudio Student Loans Limited has handled his student loan.

background

Mr J has student loans that have been sold on to different companies. When one of Mr J's loans was sold to Erudio he says it wasn't made clear who was responsible for deferment and it still isn't clear now. There has also been some confusion between Erudio and the previous lender and Mr J's loan was deferred around several months late as a result.

Our adjudicator concluded that £50 was fair compensation because Erudio wasn't responsible for most of what had happened. Rather it was the previous lender – who continues to be responsible for the deferment process.

Mr J wasn't happy with that conclusion so the complaint was referred to me.

my findings

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

I am satisfied that the previous lender remains responsible for the deferment process. However I haven't seen anything to suggest that Erudio isn't responsible for complaints about that process.

So I've looked at the inconvenience Mr J has suffered throughout the deferment process and since his loan was purchased by Erudio. Having done that I think Erudio should pay Mr J more compensation than it has offered.

It's clear there was a mix-up between the previous lender and Erudio which led to Mr J's deferment being confirmed several months late. In the meantime Erudio sent Mr J correspondence chasing him for non-payment of the loan. That will have been distressing to Mr J when he thought he had deferred his loan for the year. I don't think Erudio did enough during this period to sort out what had gone wrong and I think there has been a little too much finger pointing and passing of the blame by Erudio since then. However, I don't agree that it has subjected Mr J to "*borderline harassment*" as he suggests.

In an ideal world Mr J's loans would be administered by the same business – I know he has strong feelings about this. But I can't make that happen because I am only able to consider Mr J's complaint about Erudio.

my final decision

My final decision is that Erudio Student Loans Limited should pay Mr J £150 for the distress and inconvenience its actions have caused him. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 20 November 2015.

Joyce Gordon

ombudsman