

complaint

Mr C complains about the way Erudio Student Loans Limited handled his application to defer his student loan repayments.

background

Mr C says that he provided Erudio with enough information to process his application to defer his repayments, but it insists that he completes its deferment application form (DAF). He has refused to complete this as he feels that the information the form is asking for is intrusive and excessive.

Mr C also says that Erudio has harassed and bullied him about his account being in arrears.

Our adjudicator did not recommend that the complaint should be upheld. He did not think Erudio had done anything wrong.

Mr C disagreed with the adjudicator, he says that the additional information Erudio is requesting, is a breach of the original loan agreement. He has requested a review by an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. And I don't uphold the complaint.

Mr C is unhappy that Erudio is asking for more information than the previous owner of his student loan. However, I do not think that Erudio has to follow the business policy of the previous owner. I think it is entitled to ask for information about all sources of income to help it assess whether repayments can be deferred or not. Our service has looked at Erudio's DAF and we do not think that it changes the terms and conditions of the loan.

That said; I have no grounds to instruct Erudio to defer his repayments without completing the DAF.

Mr C's previous deferment ended in May 2014, as he has not completed the DAF, his account has fallen into arrears. Mr C says that the Erudio has harassed him and he has found this very stressful. Whilst I appreciate that Mr C may have found contact about his arrears to be stressful, I think it is reasonable for a business to make contact with a customer when an account is in arrears. I do not think that Erudio's contact amounts to harassment or bullying. It follows that I do not uphold this complaint.

I note that Erudio have said that it will backdate Mr C's arrears for three months, if he completes the DAF and is entitled to defer. I now leave it to Mr C to decide whether he will now complete the form.

I appreciate that this is not the outcome that Mr C was hoping for, but I do not think I have grounds to uphold his complaint. He does not have to accept my decision; he may wish to pursue his concern in the courts.

my final decision

My final decision is I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr C to accept or reject my decision before 2 July 2015.

Karen Dennis-Barry
ombudsman