

complaint

Mrs H says that Erudio Student Loans Limited misled her about a deferment application she made in August 2014.

background

In summary, Mrs H says that Erudio led her to believe that she had provided everything it needed for deferment. And that her deferment had been approved.

Mrs H has since found out her application wasn't complete. And that she didn't get deferment. This has caused arrears on her account which she would like removed.

Our adjudicator thought that Mrs H should have known that Erudio needed more information to complete the application. So he didn't uphold the complaint.

Mrs H disagrees. In summary, she says that Erudio misled her into thinking her deferment was successful by sending a letter saying it would be taking £0 by direct debit.

my findings

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

After Mrs H made her initial deferment application in August 2014 I think she should reasonably have known that she hadn't sent in enough supporting information about her income. I say this for a few reasons.

Firstly, the guidance that comes with the deferment form says what supporting documents she would need to provide in relation to benefits and employment / self-employment. I think it is fairly clear and had Mrs H been in doubt about anything she could have referred to it.

Secondly, Mrs H received follow up letters from Erudio dated 14 August and 29 September 2014 which informed her that she hadn't provided it with everything needed to defer her loan. These letters explained what she needed to send in.

Mrs H says she didn't get the letter dated 14 August, but Erudio has a copy which Mrs H appears to have written on, signed and returned with some extra information. Mrs H has been asked to explain this but hasn't. Overall, I think she probably received it.

Mrs H said that on 1 October 2014 (after getting the letter dated 29 September 2014) she called Erudio. She says that what the advisor told her led her to believe she had sent in enough information and that her deferment would be successful. But I have listened to a call from this date and this isn't what happened. From what I can tell Mrs H was reluctant to send in the extra information Erudio requested. During the call Erudio made it quite clear that unless she sent it in her application would not progress. In this call Mrs H refers to another call where she says she was told the opposite. But there doesn't appear to be a record of that call. And in any case, the matter was clarified in this call.

Mrs H has pointed to a letter from Erudio dated 13 August 2014 which says £0 would be taken by direct debit. Erudio has explained this was sent to her by mistake. While this isn't great, and would have caused some initial confusion I don't think it really changes the situation because shortly afterwards it would have been clear to Mrs H that her deferment application wasn't complete.

And I think that by the 1 October 2014 at the latest Mrs H would have been fully informed about what she needed to send Erudio. And had she sent the information in around the time (and presuming she met the criteria for deferment) then her arrears would have been backdated. Because she didn't send Erudio the additional information she didn't get a deferment or removal of arrears. But from what I have seen I don't think this is Erudio's fault.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 1 August 2016.

Mark Lancod
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