

complaint

Mrs T complains that Erudio Student Loans Limited has made a mistake in not deferring her loan.

She brings this complaint through her representative – Mr B – but for ease, I will refer to all submissions as if made by Mrs T.

background

Mrs T says she correctly applied to defer her student loan in 2012 with Erudio's predecessor – Student Loans Company. In early 2016, she complained to Erudio when she received notification of substantial arrears on the account.

When Erudio confirmed that no deferment application had been received since 2011, Mrs T brought her complaint to this service. She asked for a finding that Erudio and SLC had made a mistake and she wanted her deferment to be reinstated.

Our adjudicator considered the correspondence which had been sent to Mrs T and also that which Mrs T had sent to Erudio and SLC. She (the adjudicator) did not think she could ask that the arrears be written off as she could not see Erudio had done anything wrong.

Mrs T made further submissions and asked for an ombudsman's 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.

During the lifetime of this complaint, much has been said about the issue of correspondence being sent and received by both parties. I do not propose to rehearse these arguments here – save to say that the crucial point is whether Mrs T did in fact make a correct application for a deferment in 2011 or 2012.

what Erudio says

Erudio accepts that correspondence was received by the SLC in 2011 notifying it of Mrs T's income and making a further request for deferment. But in order for the request to be processed, a deferral form had to be completed – which it says it sent to Mrs T but never received back.

Since then SLC and Erudio have written to Mrs T (and SLC also had phone conversations) about the outstanding debt and the fact that the arrears were increasing. It says it received neither an acknowledgement nor payment.

So, Erudio maintains it has done nothing wrong here and seeks payment of the debt – the enforcement of which it has currently put on hold.

what Mrs T says

Mrs T argues to the contrary. She says she *did* fill in and return the form in 2012 and that the mistake about the deferment at the time was due to an error on the part of the SLC. She

further identifies an individual with whom she dealt with at the time and whom she says accepted there had been a mistake during a telephone call.

It is unclear why Mrs T did not receive the numerous letters which were sent out to her regarding the outstanding debt – but addressed, I note, to her current address. Although I can see she accepts receiving *some* letters regarding the calculation of interest.

Essentially, Mrs T says these arrears have accumulated due to an error on SLC and Erudio's part and so, she should not be held liable for a lump sum payment.

what I think is likely to have happened

I can only base my findings on what I think is more likely to have happened - having taken account of what I have seen and heard.

I have no doubt that Mrs T is sincere in her submissions – in that she had not met the threshold for the repayment of her student loan and that her application for deferment was a proper one.

And I have seen the email communication between the parties at the time – to the point where it is suggested that the correct form would be sent to Mrs T and that she would need to return the same.

Crucially, what cannot be evidenced is that this form was sent back as requested. And whilst I do not doubt what Mrs T says in her submissions, I cannot ignore the numerous letters sent since 2012 seeking payment.

If Mrs T was under the belief that her loan had in fact been successfully deferred, I would have expected to have seen some query regarding the arrears before 2016. But there does not appear to have been any.

So, in the circumstances, I cannot fairly say that Erudio has done anything wrong in seeking repayment of the outstanding arrears.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 18 April 2017.

Shazia Ahmed
ombudsman