

## **complaint**

Ms S has complained that Erudio Student Loans Limited did not manage her loan deferment properly. This caused her to believe that it wasn't going to be deferred at all and that she would have to pay a monthly amount.

## **background**

Ms S has a student loan. She'd expected to hear from Erudio asking her to fill out the forms to apply for a deferment of her loan. As she hadn't, she asked for a form to be sent to her. She never received one. Ms S got increasingly anxious about the time this had taken, and eventually received one in electronic format. She filled this in and returned it.

However Erudio returned it to her as they felt she had not signed it. She was warned that she should try and avoid going into arrears. Erudio then sent a number of letters to Ms S; one saying that direct debits were going to be collected for her loan, whilst others confirmed her loan was deferred.

Throughout the time she was unable to get any clear information from Erudio about her deferment being effective, she complained to the ombudsman service and her local M.P.

Our adjudicator reviewed the evidence which included the log of correspondence which Ms S had kept. She felt that Erudio had not treated Ms S fairly and suggested they pay her £50 in compensation for her inconvenience. Erudio offered to pay Ms S £25.

Ms S did not believe this was fair and asked an ombudsman to review her case.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It's worth stating upfront that Ms S provided to us very detailed logs of the contacts she had with Erudio. I am grateful to her for these. They included phone calls, letters, emails and texts. This shows her to be organised and capable. I am in no doubt that the contacts Ms S had with Erudio did not provide a clear pattern of information on which she felt she could rely.

I appreciate that she's not only upset about the time it took for the forms to reach her, but the muddle in submitting them to Erudio. After that she feels that she never got clear information about whether her loan was deferred or not. I can see that this was confusing and upsetting for her.

I have also reviewed the business file that Erudio provided to us. This included call recordings. Ms S was concerned about the tone of these calls. I can understand why she didn't think they were very helpful but I do not believe that Erudio were acting in a threatening manner.

Overall I also conclude that Erudio did not provide a good service to Ms S and I understand why she feels that this caused her stress. I note that what should be quite a simple process turned out to be quite drawn out. It took about three months before she knew for certain that her application to defer her loan was accepted.

I've already informed Erudio that I consider £100 to be a fair amount of compensation for the stress Ms S went through. Particularly bearing in mind the time it took to resolve her concerns.

**my final decision**

For the reasons stated above, my final decision is to uphold Ms S's complaint and instruct Erudio Student Loans Limited to pay her £100 in full and final settlement.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms S to accept or reject my decision before 24 March 2015.

Sandra Quinn  
**ombudsman**