

## **complaint**

Mr M complains Erudio Student Loans Limited didn't send him a deferment form for 2015/16.

It then delayed processing this and confused things further with chasers and letters of arrears. He seeks compensation.

## **background**

Mr M says Erudio didn't send him a deferment form for 2015/16 until he requested one, and it should have.

Erudio accepts that it didn't send the deferment form. But it says it wouldn't automatically do this unless a previous deferment was coming to an end, which didn't apply here.

Mr M is also unhappy Erudio caused delays in processing his application, and didn't acknowledge this when he complained. In particular, he's unhappy it said it got his information in November 2015, despite him demonstrating it was received in October 2015.

In addition, he was sent letters of arrears. He appears to be confused by the different amounts shown. He is all the more upset as he believes there should be no arrears on his account at all.

Erudio accepts the delays and apologises for the chasers and how it handled Mr M's complaint. It also says the arrears were run up legitimately between March 2015 and November 2015. But it has reworked Mr M's account and there are now no arrears.

Our adjudicator also felt the arrears had been applied legitimately. And she said Erudio had gone further than she would've asked it to by writing off more of the arrears than she could've fairly asked it to do.

She acknowledged the inconvenience and confusion caused by the delay, the letters and Erudio's handling of the complaint. But she didn't feel further compensation was fairly due.

Mr M disagreed. He asked that an ombudsman review his complaint.

## **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'm not upholding this complaint.

Both Mr M and Erudio refer to a previous complaint with this service. It seems they want it to form part of the deliberation here. I take on board the strength of feeling they've expressed about this part of the complaint. But that said, we consider each complaint individually, so I will only be looking at what happened here, and what should be done, if anything.

Mr M's deferment was due for renewal in March 2015. There's nothing in the terms and conditions to say Erudio was obliged to send Mr M an automatic deferment form. But there's also nothing detailing when a form will be sent automatically and when it needs to be requested.

Having said that, I think, in the circumstances, Mr M should reasonably have been aware of when his deferment was due for renewal. Further, I don't think he did enough to chase things up when he hadn't received one. It wasn't reasonable to wait six months and wait for a letter requesting payment before getting in touch.

Erudio allows for an extra three month 'grace period' after a renewal is due. This was a reasonable time frame for Mr M to get in touch in, and as he didn't. In these circumstances, I can't fairly say Erudio ought not to have taken the action it did. It wasn't wrong to say Mr M ran up arrears on his account.

There's no dispute about the fact there were delays in processing Mr M's deferment once everything was received. And everyone agrees that Erudio could've handled his complaint better. I appreciate Mr M's frustration with this, particularly given his feelings about his history with Erudio.

Even bearing all of this in mind, I think that by apologising and backdating Mr M's application so there are no arrears on the account, Erudio has taken appropriate steps. It follows I don't think any further compensation is appropriate.

I suggest that both sides might think about communicating clearly and quickly come the next renewal so further confusion is avoided. It's in neither side's best interests for this disagreement to keep rumbling on year on year.

#### **my final decision**

My final decision is that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 September 2016.

Joyce Gordon  
**ombudsman**