

## **complaint**

Mr P complains that Erudio Student Loans Limited (Erudio) did not allow him to defer his student loan and failed to record a change of his address.

## **background**

Mr P had a student loan administered by Erudio. In 2014 Mr P successfully applied to Erudio to defer his loan as he was self-employed, and his income fell below the threshold. In 2015 Erudio asked Mr P to re-apply for deferment of his loan again as this was an annual requirement.

Mr P completed a deferment application form and attached 12 months' bank statements in order to try and prove his income. Erudio said that Mr P didn't supply enough information to them with the application and asked for further evidence of his income.

Mr P says that Erudio told him he needed to supply a current tax return or accountant's letter. He says that he did not have either of these documents and that Erudio failed to tell him that he could have also supplied invoices. Mr P also says that he spoke to Erudio later that year, explaining that he had a new job and had moved to a new address. Mr P says that Erudio told him that they would contact him in six months' time when he would be able to use his payslips to evidence his deferment application. Mr P says Erudio never contacted him again to discuss his deferment and then issued a repayment letter to his old address. Mr P says when he phoned them to tell them there was an error, Erudio told him that he was no longer able to defer his loan and must repay it.

In early 2019 Mr P received a letter from a debt recovery agent on behalf of Erudio. Mr P complained to Erudio saying that they should have deferred his loan in 2015 and that they also failed to update his address when he called them.

In response, Erudio said that they had sent Mr P letters containing the information he needed on how to defer his loan. Erudio denied that Mr P informed them of a change of address as they said they had no record of this. Erudio also said that they told Mr P to re-apply for deferment once he had two months' payslips from his new job which he never sent. Erudio said that the deferment application was not processed incorrectly and so they had done nothing wrong. Mr P did not agree with Erudio and so brought his complaint to us.

Erudio supplied us with the letters they sent to Mr P at the time of his deferment application. They also supplied us with the "*how to...*" guide for applying for deferment which was included with the application sent to Mr P in 2015. Erudio no longer had call recordings but sent us the call notes from Mr P's account.

Our investigator said that the letters posted to Mr P in 2015 contained enough information for Mr P to know what documents were needed from him in order to defer his loan. Therefore, it was reasonable for Erudio not to defer the loan in 2015. They also said they could not see any evidence that Mr P had recorded a change of address with Erudio.

Mr P remained unhappy with this and so the matter has been passed onto me for a 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.

I've considered whether Erudio were reasonable in not deferring Mr P's loan in 2015. Erudio's letters sent to Mr P in 2015 quite clearly set out which documents were required in order to evidence his income. Mr P had deferred his loan the previous year and acknowledges that he had previously supplied both bank statements and invoices. I can see Mr P felt that sending a year's worth of bank statements would be enough. However, I think that the letter and "*how to...*" guide is clear that invoices were also required. When Mr P phoned Erudio they were not wrong in telling him that he could have also supplied either an accountants' letter or tax return. So, I think it is more likely than not that Mr P was aware of the ways in which he had to evidence his income.

Both parties agree that Mr P updated Erudio about his new job and that they discussed using payslips to evidence a deferment application. I have considered Mr P's account of the conversation he had with Erudio. Erudio have also supplied their call notes from the time. The notes record the fact that Mr P has a new job and goes on to say that Mr P did not have a contract of employment so would send two months' payslips once he had them.

I know Mr P's account of this conversation is different. However, the notes were made around the time of the call when the information would have been fresh in the authors mind. The information recorded in the notes is also in line with Erudio's policy on deferment set out in the information sent to Mr P. So, I think it is more likely than not that Mr P was asked to send two payslips and re-apply for deferment once he had them. I believe Mr P ought to have known that it was his responsibility to re-apply for the deferment once he had enough payslips as he had previously been through this application process.

Erudio were not sent the required information to process Mr P's deferment application in 2015. Therefore, I can't say that they should have deferred the loan at that time.

I've then considered if it was likely that Mr P recorded a change of address with Erudio. Mr P says that he told Erudio that he had moved address during the call about his new job. Again, Erudio rely on their call notes which were made around the time of the call in 2015. The notes do not show that Mr P told Erudio that he had changed address. The notes go on to show that Mr P called Erudio in early 2016 to say that his letters were being sent to the wrong address. When asked for his address Mr P would not provide it to Erudio. So, Mr P had the opportunity to address the issue when he called Erudio in 2016 but decided not to. For the reasons I have already explained, Mr P would have known he needed to get in touch with Erudio even if he had not heard from them.

**my final decision**

For the reasons I've given, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 January 2020.

Tim Wilkes  
**ombudsman**