

The complaint

Miss C complains that 3J Finance Limited has treated her unfairly in relation to an educational course for her child.

What happened

In August 2019 Miss C took out a finance agreement for an online education course for her child provided by a course provider. 3J Finance provided the credit in the form of a Fixed Sum Loan Agreement to pay for this online educational course supplied by the course provider (a separate company).

Miss C says that her child was able to do the course to start with, but there were intermittent problems with accessing the online content and getting support from the course provider. By the time of December 2022 Miss C says she'd contacted the business repeatedly and didn't have use of the service or access to support at all. So she told the course provider that she wanted out of the agreement. She complained to 3J and was told she had to continue to pay. So she complained to this service.

Our Investigator upheld Miss C's complaint, but 3J Finance didn't comment when asked to do so. So the complaint has been passed to me to decide.

What I've decided – and why

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

3J haven't engaged properly on this matter with Miss J and nor with this service about this dispute. From consideration of records at Companies House it is apparent that it is still trading and in existence. And I've checked our contact details with 3J and I'm satisfied they are correct. It would be unfair on both parties for no decision to be issued here and the dispute to continue perpetually just because one party doesn't engage with this service. Accordingly I think it is fair for me to issue a decision on these matters and bring finality to the matter.

3J Finance didn't sell Miss C the course or the loan, but it has some responsibilities to Miss C due to certain protections afforded to consumers by the Consumer Credit Act 1974 (CCA for short). The loan Miss C entered with 3J Finance is regulated by this Act which provides her with some protection namely under section 75 of the CCA. Section 75 has the effect of allowing Miss C to hold 3J Finance liable for breaches of contract by the course provider, or misrepresentations made during the sales process, as long as certain requirements within the legislation are met. And having considered the situation here I'm satisfied they are. So a claim under S75 can be successful here as the financial limits and required relationship requirements are met.

Miss C has provided a number of email records of her contacting the course provider here and its responses. She's also pointed to lots of calls with it as well. As I've mentioned 3J has chosen not to respond to this service's attempts to contact it. As such I've not seen its

position on the matter, particularly whether it accepts there were problems and what it did to help or whether it says there were no problems at all. I've also considered Miss C's comments on the matter and the significant amount of email correspondence she's provided between herself and the course provider and the repeated calls she points to having with it. The test I must apply here is balance of probabilities. And with 3J choosing not to comment I don't have anything from them to consider as a counter to what Miss C says save for its comments in the emails to Miss C.

Having considered the available evidence I'm satisfied on balance that from December 2022 onward she and her child couldn't access the online training course. The course provider is required to provide the course with reasonable care and skill. But it's clear that Miss C and her child couldn't access the course and didn't get either tutor support for the course itself or the support described to ensure the course and online portal were accessible.

So I'm satisfied from that point in December 2022 the course provider was in breach of the contract made for it to provide these training modules and support as it wasn't providing it with reasonable care and skill. And under S75 of the CCA 3J can held be equally liable for this breach of contract. So for these reasons I think this complaint should be upheld.

Clearly Miss C's child did have use of the online training for a significant time so I don't think a full refund would be fair in the circumstances. As Miss C's payments were the same amount each month, so it would seem fair she only paid the payments she did whilst she had use of the course and doesn't pay for the service not provided from December 2022 onwards.

Putting things right

I direct 3J Finance to take the following actions:

- The loan agreement should be ended, and no further repayments are to be made.
- A refund of any premiums paid since 5 December 2022
- A refund of any deposit paid plus 8% interest*.
- Miss C's access to the online training should be cancelled and she must return the laptop she received. 3J Finance should cover the cost of the return.
- Any adverse information relating to the loan agreement is removed from Miss C's credit file from December 2022 onward. The loan should also be reported to have ended in December 2022.

*HM Revenue & Customs requires 3J Finance to take tax off this interest. 3J Finance must give Miss C a certificate showing how much tax it's taken off if Miss C asks for one.

My final decision

For the reasons set out above, I uphold the complaint against 3J Finance Limited and direct it to put things right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 15 July 2024.

Rod Glyn-Thomas
Ombudsman