

The complaint

Mr B complains about a training course package he financed using a fixed sum loan agreement with ETIKA FINANCE UK LIMITED ("Etika"). He says the course was mis-represented to him and he wasn't given promised support.

What happened

In March 2023, Mr B enrolled on a training course from a supplier I'll call "R" at a cost of £4,500. He paid for the course using a fixed sum loan agreement with Etika repayable over two years.

In April 2024, Mr B contacted Etika as he was unhappy with the course. He asked Etika to consider its liability to him under section 75 of the Consumer Credit Act 1974 for misrepresentation and breach of contract by R. He gave the following reasons, which I have summarised:

- R promised to find him a job after he'd completed the first two modules of the four-module course.
- R's help in finding him a job was practically non-existent, and the job market wasn't what they had made it out to be.
- He tried to find work but was still jobless after five months, so he asked R to cancel the course, but they refused.
- R falsely told him in the pre-sales call that all their alumni had got a job except one person.
- He asked R for a copy of the pre-sales call, but they wouldn't send him this despite the Information Commissioner's Office (ICO) saying they needed to do so.

Mr B asked for Etika to terminate his loan agreement and to give him a partial refund of what he'd paid under the loan agreement, which was the two modules of the course that he hadn't completed.

Etika didn't uphold Mr B's claim and declined to meet his request. They said:

- They had asked R for a copy of the pre-sales call so they could consider Mr B's claim about job guarantees after he'd completed the first two course modules, but this wasn't sent to them.
- They had listened to a post-sales call between R and Mr B where R's representative told him they would put him in touch with their recruitment team who would try to help him get a suitable role to gain experience to allow him to progress. Etika said this didn't amount to a job guarantee as Mr B had claimed.
- R had helped Mr B by helping him with his CV and to apply for job roles, which was

in line with the information shown on R's website about the services they offer customers. So, Etika didn't think R breached the contract as they had offered the service that was agreed at the point Mr B enrolled on the course.

- There was nothing in R's terms and conditions that said Mr B would be offered or guaranteed a certain job or role.
- Overall, they weren't satisfied that R mis-led Mr B or mis-sold the course to him.

Mr B wasn't happy and so he referred his complaint to our service.

Our investigator didn't think Mr B's complaint should be upheld. In essence she accepted the reasons put forward by Etika for not meeting Mr B's claim and didn't think the available evidence showed there been a breach of contract or misrepresentation.

Mr B disagreed with our investigator. He said, in summary:

- The job support from R wasn't as described. Their application system applied for roles unrelated to the certification he was pursuing and the support provided was minimal at best with no follow up help offered.
- The CV assistance consisted of copying and pasting his original CV into a generic template.
- Neither R nor Etika refuted his claims about R promising him employment within two weeks of completing the second course module.

Our investigator wasn't persuaded that Mr B's submissions changed her mind about the outcome of the complaint. So, the matter has been referred to me for a decision.

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.

I'm looking here at the actions of Etika and whether it fairly handled Mr B's request for to terminate the loan agreement and pay a partial refund. In doing so I'm required to consider relevant legislation. I think relevant legislation in this case includes section 75 and section 56 of the Consumer Credit Act 1974.

Section 75 of the Consumer Credit Act 1974 makes Etika equally liable to Mr B for breaches of contract or misrepresentations by R in certain circumstances. So, if for example Mr B appeared to have a valid claim for either of these things and Etika didn't accept this when he made it aware of his claim, then I might find Etika treated Mr B unfairly and should do something to put things right.

Section 56 of the Consumer Credit Act 1974 makes Etika responsible for 'antecedent negotiations' conducted by R in relation to the transaction Etika was financing. Put simply this can include things said or done or things not said or not done by R about the course up to the point Mr B entered into the loan agreement with Etika.

I think one of the main thrusts of Mr B's complaint is about what he says R said to him during the pre-sales call. He says R told him that he'll be able to get a job after completing two course modules and that all but one of the people who'd been on the course prior had achieved this. So, Mr B believes R misrepresented the course to him as what they'd told him

during that call was the primary reason for him enrolling on it.

I've seen that Mr B and Etika contacted R to try to get a recording of this call but were unsuccessful. I note also the ICO ruled in Mr B's favour and said R needed to provide this call recording to him. Unfortunately, I can't compel R to provide this in the same way a court might be able to. And this phone call is I think central to the reason why Mr B wanted to cancel the course part-way through.

I've recently asked Etika to ask R to provide me with all their account history notes showing their interactions with Mr B. Etika has sent these to me and I've noted one of R's entries from August 2023 which says that someone at R had listened to the recording of the sales call and says the salesman told Mr B that R hoped to get him into work within two weeks, but that he didn't guarantee him a job.

So, it certainly seems as if a recording of the sales call was available at that time; what I can't be sure of though is whether that call still exists. And, even if it does, unfortunately I haven't been sent this to listen to. So, with that in mind, I can't be sure that R misrepresented the course to the extent that Mr B was told that he would easily find employment or was guaranteed employment after he'd completed the first two modules. I've also not seen anything on R's website or in their terms and conditions at the time that amounts to essentially a job guarantee. And at best, R's notes tell me that they would try to help Mr B find employment at that time rather than provide a guarantee of this.

I've gone on to consider Mr B's claim that R didn't provide much in the way of appropriate, tangible support to help him find a job. This centres around Mr B's claim that R didn't offer a bespoke, tailored CV service or match him with appropriate job roles.

Mr B says R simply copied and pasted the CV that he'd already created into a template. I don't know for sure whether that was indeed what happened. But even if that were the case, that doesn't mean that the work R did was redundant or that they didn't do any work at all. It could be, for example, that R felt that what Mr B had already written was sufficient to be able to send this out to appropriate potential employers. And I've not seen that applications were being declined because of the quality, or lack thereof, of Mr B's CV.

I've also considered Mr B's claim that R sent applications in for him for roles that weren't appropriate for the course modules he'd been studying. I've looked at the screenshots that Mr B has sent to us showing the job opportunities that were around at the time. These show various roles offered for jobs such as 'Cloud Infrastructure Engineer', 'Solution Architect' and 'Data Engineer'. I haven't though seen enough evidence that what Mr B learned on the course up to that point were irrelevant to these roles or had no use for them. I'm not saying he isn't correct here, but I'm not an expert in this field of employment. I would have needed something more to persuade me that R breached its contract on this point like for example specific replies from employers saying that Mr B didn't have the required skills for the role which I could reasonably link to the course potentially being the cause of this.

Mr B has also mentioned that R's support overall was minimal. I haven't though, at least from R's notes, seen much evidence that Mr B had sent requests for help and support to R which they then ignored. And from what I can tell, R did offer to support Mr B and also kept the option of support open to him after he'd asked to cancel the remaining two course modules. For example, I've seen from R's notes that they e-mailed Mr B in September 2023 asking whether there was anything they could do to enhance his learning experience and in February 2024, March 2024 and April 2024 asking whether he needed any extra help and encouraging him to contact them if there was anything he was struggling with. I haven't seen that Mr B expressed concern to R prior to him asking to cancel the course about the support he was being given. So, overall, I don't find that I have enough evidence to support Mr B's

claim on this point.

I know Mr B feels strongly about his complaint. But having considered the available evidence, it's not clear to me that R either breached its contract with Mr B or misrepresented it. Neither have I seen enough to make me think that Etika should have met his request to terminate the loan agreement and give him a partial refund, on the basis of something R did or didn't say or do before he signed up to the course. So, I don't find Etika needs to do anything in respect of Mr B's complaint.

My final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 July 2025.

Daniel Picken
Ombudsman