

## The complaint

Miss W complains about a claim she made to Premium Credit Limited (PCL) under Section 75 of the Consumer Credit Act 1974 (Section 75).

## What happened

Miss W took out a training course with a provider who I'll call L. The course cost £2,305.47. Including an additional transaction fee amount, a total of £2,493.59 was funded via a running account credit agreement with PCL. The first payment towards the agreement was to be made in February 2024.

Miss W complains that:

- She was made redundant soon after enrolling and asked to cancel the course
- She provided medical evidence to L of her son's condition, which further prevented her from continuing the course
- She was blocked from the learning platform
- She was promised a student card and certain levels of support at the point of sale, which were not provided
- Despite sending in multiple requests to cancel the course in October 2023, payment continued to be taken.

Miss W received a welcome email from L in September 2023. Miss W raised a complaint to L in December 2023, and it offered a payment holiday, a three-month extension to the learning license, weekly contact and arranged for a new student card to be issued. In April 2024, when Miss W completed a mitigating circumstances form, L agreed to extend the course by a year. L later agreed to write-off the outstanding balance of £1,454.60 as a gesture of goodwill.

Miss W raised a claim under Section 75 for breach of contract and misrepresentation to PCL. She was seeking a refund of monies already paid towards the agreement. PCL considered the matter and found that Miss W had not cancelled the contract in the time period specified in the contract to receive a refund, and therefore the contract had not been breached. It found L had worked with Miss W and accommodated her circumstances as best it could in the circumstances. Overall, it could not establish a breach of contract or misrepresentation had occurred, so it declined the claim.

Miss W brought her complaint to our service. She said her repeated cancellation requests were ignored, L failed to deliver services promised at the point of sale, a misrepresentation occurred about the level of support and flexibility she would receive, payments continued to be taken after she had asked to withdraw from the course and her contract was frustrated when she was made redundant and her son experienced health concerns. Our investigator considered each of Miss W's complaint points in detail and found that as no breach of

contract or misrepresentation had been established, PCL had not treated Miss W unfairly when declining her claim.

Miss W asked for an ombudsman to consider her complaint. She did not raise any new points to those raised previously. So, the complaint has now 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.

I would like to start by saying that I have provided a brief summary of the events that occurred. I intend no discourtesy by this and can assure both parties that I have taken all the information provided into consideration when reaching a decision on this complaint.

In this decision, I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. Our rules allow me to do this, and this reflects the nature of our service as a free and informal alternative to the courts.

Section 75 allows – in certain circumstances - for a creditor (PCL) to be jointly and severally liable for any claim by the debtor (Miss W) of breach of contract or misrepresentation made by a supplier of goods and/or services (L). As L has written off a portion of the cost of the course, whether Miss L is to be granted a refund of course fees already paid will hinge on whether a breach of contract or misrepresentation can be established.

I have reviewed L's terms and conditions carefully to ascertain whether L has breached the contract in any of the ways Miss W has set out, such that a claim under Section 75 should be successful.

The terms of the contract allow a cooling-off period of 14 days within which the course may be cancelled and a refund received. The terms further state that if learning is commenced during this time, the right to cancel is waived. Cancellation outside the cooling-off period or after learning has commenced requires a forfeit of any fees paid – in full or in part.

Miss W says she emailed L within the cooling-off period to cancel the course. L has said it has checked its records and cannot find evidence of this. Miss W has unfortunately, also not been able to provide evidence of the same. Without evidence to confirm the cancellation was made within the required period in order to receive a full refund, I do not find that the retention of fees paid constitutes a breach of contract.

Miss W says she provided evidence of her son's condition, and this further prevented her from continuing the course. The terms of the contract do not outline a specific procedure regarding extenuating circumstances such as these. That being the case, I cannot find that the contract has been breached by L in not allowing Miss W to exit the contract when these unfortunate circumstances occurred.

Miss W says she was promised a student card and certain levels of support whilst on the course which were not provided. It is not clear whether Miss W received information about how to sign up for a student card when she enrolled on the course, however I note that when this was raised, L promptly provided the information required for a student card to be obtained so an appropriate remedy was issued. I cannot see that the contract provides for a certain level of contact between L and its students. I appreciate Miss W asked for more support than that which she was already receiving, and L responded to this by promising more regular contact. I can see it then tried to contact Miss W more frequently who did not

answer L's calls. Again, I think a remedy was implemented and I do not find that these matters in and of themselves constitute breaches of contract even if the service by L could have been better.

I note that Miss W also states the same matter of levels of support constitutes a misrepresentation. She also mentions flexibility here. I have no details of the flexibility Miss W feels she was denied although I do note that Miss W was provided with a year long extension to accommodate her personal circumstances. Having thought about this, I have no evidence to support a conclusion that a misrepresentation occurred which induced Miss W to enter the contract.

Miss L states that she sent numerous emails in October 2023 asking to cancel the course and payments continued to be taken. As Miss W took finance to pay for her course, the total amount of the course was paid to L up front by PCL. The repayments she was making despite having sent cancellation emails were to PCL. The terms of the finance contract with PCL are separate to those she has with L in relation to the course. Under her terms with PCL, she would be required to make payments on time and in accordance with the schedule sent out to her in January 2024. I therefore do not find it unreasonable that the direct debit continued to be taken after the cancellation emails were sent by Miss W.

Miss W states her access to the course material was blocked. The information provided to us about this matter is conflicting. On one hand we have accounts that Miss W stopped paying her direct debit, and Miss W confirms in an email to L that she has cancelled her direct debit. As per the terms of the course, if she were to stop paying then L states it would restrict her access to the training materials. However, we have later been told L did not restrict access to the training materials. We asked Miss W for evidence that she could not access the materials, and she could not provide us with this. So, I cannot safely conclude that L made any errors that PCL should take accountability for here.

Lastly, Miss W says that her contract was frustrated when she was made redundant and her son became so unwell that she could not continue her studies. Having considered what Miss W has said and the surrounding circumstances, I do not find that her circumstances constitute a supervening event to the extent that the contract could not be carried out and should be terminated.

Therefore, having considered Miss W's concerns, I do not find that a breach of contract or misrepresentation has been established that PCL should be held liable for under Section 75. It follows that I do not find it unreasonable for PCL to have declined the claim for the same reasons.

I am not without empathy for Miss W's circumstances here. I acknowledge that she took out the course for the job she was doing and was shortly after made redundant. She also became very busy caring for her son. It seems that the course was no longer needed in light of her personal circumstances. Unfortunately, the contract does not allow for a change of mind and in the event of changing circumstances, L displayed a willingness to allow her to pause her studies. So, although I am sorry for what she has been through, I cannot find that PCL has treated her unfairly in declining her claim.

### **My final decision**

My final decision is that I do not uphold Miss W's complaint against Premium Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 2 January 2026.

Vanisha Patel  
**Ombudsman**