

complaint

Mr G complains that Caledonian Consumer Finance Ltd (the business) is requiring him to repay the fixed sum loan he took out to pay for a training course even though changes to the training course location meant he was unable to complete his course.

background

Mr G enrolled on a training course in October 2013 and took out a fixed sum loan agreement to pay for it. In May 2014, his training course provider went into administration. Mr G says that although a new company took over the course the locations of the practical sessions changed.

Mr G says that the original training centre was near his work which meant he was able to fit the practical training sessions around his work shifts. He says that the training centres now offered are too far away so do not fit around his work. He says the nature of his work also makes it hard for him to take time off to complete the training.

The business says that the breach in contract that occurred when the original training provider went into administration has been remedied. It says that Mr G was contacted to tell him that his course would be provided by a new training provider. It says that the terms and conditions of the course remained the same and that on successful completion of the course, Mr G would gain the qualification he had originally signed up for.

The business says that certain training centres were closed and that Mr G was offered training at other centres. It says this is within the terms and conditions. It accepted that the change of providers could have caused a delay and its initial offer was to give Mr G an eight month free course extension and a discount for the additional travel expenses.

The adjudicator did not accept that the extension and discount of fees was sufficient to remedy Mr G's situation. She said that because of Mr G's work the change in days and training locations meant he was unable to complete his training. She said the business should cancel Mr G's agreement and refund the money he had paid.

The business did not accept that there was a breach of contract. But due to Mr G's individual circumstances, it offered to close Mr G's account with no further requirement for him to pay.

Mr G did not accept this offer saying that he had been making payments while his complaint was being considered.

my findings

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

Mr G enrolled on a training course and signed the loan terms and conditions. While I appreciate his comments that he should have been made aware of the financial difficulties the original training provider was in before he committed to the training course, I do not find that Mr G was mis-sold the loan.

When the original training provider went into administration, there was a breach of contract. An acceptable remedy for this is for an alternative training provider to take over the course

and for the training to continue to be available on the same terms. In Mr G's situation this did happen.

The terms that Mr G signed when he enrolled in the course did set out that changes could occur to the training including a change to training locations.

My role is to consider the individual circumstances of each case and consider what is fair and reasonable.

Prior to the administration of the original course provider, Mr G had been making good progress on his course. He had also booked up further training to be delivered by the new training provider. Based on this I find that Mr G intended to complete his course.

However, when the training location and days were changed this caused issues for Mr G. I appreciate that he was offered a discount to his course fees to cover the additional cost of his travel and in certain circumstances this would suffice. However, the issue to Mr G was not the additional cost but that he was unable to attend given his work commitments.

I appreciate he had signed the form accepting training locations could change but I accept that he had expected to complete his training at the centre located near his work and it was on this basis he was able to enrol on the course.

The business has offered a gesture of goodwill to cancel Mr G's agreement with no further payments required and ensure his credit file is unaffected. However, Mr G has been required to make the repayments on his loan for a number of months since the training became unviable for him. Based on this and as Mr G was unable to complete his course and attain his qualification, I find it reasonable that as well as his agreement being cancelled, he is refunded all payments he made.

my final decision

My final decision is that I uphold this complaint. I direct Caledonian Consumer Finance Ltd to:

- cancel Mr G's agreement and refund the money he has paid to date; and
- ensure nothing adverse is recorded on Mr G's credit file as a result of this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 February 2016.

Jane Archer
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