

complaint

Mr K complains that a training course that he paid for using a fixed sum loan agreement with Carnegie Consumer Finance Limited (Carnegie) was misrepresented to him.

background

Mr K entered into a fixed sum loan agreement with Carnegie in November 2017 to pay for a gas safe engineering course. The course was provided by a separate company who I shall call 'T'. The cost of the course was £7,145, the loan was interest free and he agreed to make 43 monthly payments of £165. He also signed a registration form with the course provider.

In October 2018 Mr K complained to T that it had mis-sold the course to him. He said he first approached T because he said he wanted to do a plumbing course, but he says the salesman was rather pushy and told him that, if he did the gas safe course instead, then he would gain his plumbing certificates as well as being gas safe at the end of the course. He says the gas course was also a lot more expensive than the plumbing course.

Mr K says the salesman didn't explain that he would have to carry out a lot of practical work with another company and that he'd have to source this work himself. He says he wouldn't have signed up for the course had he known this. He said that he's done a lot of research since and says there are many others in a similar position to him.

T didn't think it had mis-sold the course. It said Mr K was given a welcome pack when he first signed up to the course which explained what the course entailed. And it said this set out that Mr K would *"need to spend some time gaining experience with a gas engineering company, building a portfolio of evidence to demonstrate knowledge and experience gained."* It said Mr K was entitled to cancel the course without charge in the first two weeks. And it said he didn't do so.

T said that it hadn't seen anything to show that the training course included plumbing qualifications and it said there wasn't a price difference between the course fees. But it said that it would be willing to transfer his enrolment to a plumbing course.

Mr K was unhappy with T's response, so he contacted Carnegie to claim for the misrepresentation under S75 of the Consumer Credit Act 1974 (S75). Carnegie didn't uphold Mr K's S75 claim as it said it hadn't found any evidence of a misrepresentation or breach of contract for the same reasons as T. Mr K remained unhappy, so he referred his complaint to this service.

Our investigator didn't uphold the complaint. And he said he hadn't seen anything to support Mr K's assertion that the salesman had told him to take the gas course instead of the plumbing course. The investigator also said T had said there wasn't a price difference between the two courses. Finally he said the welcome pack explained Mr K would have to source his own work experience in order to gain the qualification. And he said Mr K had signed a separate declaration to confirm he understood he was entering into a gas engineer course and what the contents of the course included.

Mr K didn't agree with the investigator and asked for an ombudsman to review the complaint.

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 decided to not uphold this complaint and I'll now explain why.

Mr K paid for the course through a fixed sum loan agreement. S75 sets out that in certain circumstances, as the finance provider, Carnegie is jointly liable for any breach of contract or misrepresentation by the supplier – T. I'm satisfied those circumstances apply here.

Mr K says that the course was misrepresented to him and I think he's raised two reasons:

1. He was told he'd get plumbing qualifications with the course; and
2. He wasn't told he'd have to carry out work experience and that he'd have to source this work himself.

Mr K says he wouldn't have entered into this course had he been given all the correct information. Carnegie says that the documentation Mr K was given sets out what the course entailed. And it doesn't think there's anything to show the course was misrepresented.

I've taken Mr K's comments into account, but I haven't seen enough to support his assertions that the course was misrepresented to him by the salesman. Mr K says that the gas engineering course was more expensive, but I'm satisfied there was no difference in the course cost as T has given evidence that all its courses of the same level were the same price.

I note Mr K says he was told the course would obtain him plumbing qualifications. But I'm conscious that he was given a full course guide when he first entered into the course, which doesn't specify that the course contained plumbing materials. He also didn't raise concerns in respect to the course content until he'd nearly completed a year of it. Mr K says it took him a year to realise as, when he first started, he didn't have any concerns. But he said that, as he asked more questions, it became apparent the course wasn't what he wanted or asked for. He says he was never told about having to find his own work experience and was told everything was included in the cost. He thinks that, given the course cost over £7,000, it's unfair he would have to find his own work experience.

I've considered everything Mr K has said in this respect. But, on balance, I think Mr K would have complained sooner had he thought the course would contain plumbing material. And I don't think I've seen anything to support Mr K's assertion that he was given false or misleading information. So I haven't seen enough to show that Mr K was misled in this respect. But, even if he had, I don't think he's lost out because T said it was willing to allow him to switch onto another course.

I acknowledge Mr K says he wasn't told he'd have to arrange his own work experience. But I also note he signed a declaration which contained the following:

"I must complete a total of 140 days on the job gas related training with a suitably qualified gas safety engineer. My in centre training (25 days) contributes towards this figure, leaving a further 115 days which must be completed prior to practical training weeks 5 and 6."

So Mr K signed to confirm he was aware he needed to do some on the job training and he was aware he needed to arrange this himself. Mr K disputes that he signed this and says that the signature and handwriting don't match his. But Carnegie has advised us that this declaration is signed during the application process. I have to think about what's *most* likely to have happened here.

It seems to me the declaration was part of the application process the salesman went through with Mr K. I think it's likely T would have provided a pack of documents for its sales people to go through with each sale. I think it's likely this document would have been one of the documents. I also think it's *most* likely that the salesman would have asked Mr K to sign the declaration and Mr K did so. And I think his signature does look similar to the other ones he provided on that day. So, on balance, I think it's likely he did sign this. And I think it's likely he was told he'd need to arrange his own work experience.

Ultimately, I'm satisfied that it was fair for Carnegie to say that there's not enough to show that the course was misrepresented to Mr K.

my final decision

For the reasons I've set out above, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 23 July 2020.

Guy Mitchell
ombudsman