

complaint

Mr K is unhappy he hasn't been able to cancel a fixed term loan agreement with Carnegie Consumer Finance Limited which he took out to pay for a training course.

background

In November 2015 Mr K took out a fixed term loan agreement to pay for a training course. Mr K completed an affordability assessment and signed a number of documents including a registration form and the loan agreement.

In May 2016 Mr K contacted the course provider to cancel the course as he was relocating. The course provider explained that the course could only be cancelled during the cooling off period. They did allow Mr K to change his course. And in July gave him a list of his nearest assessment centres.

In August 2016 Mr K complained to the course provider. He said the salesman told him there were training centres near him and that he could cancel the course at any time with two months' notice. He also said the salesman gave him his telephone number but he couldn't get hold of him.

In November 2016 Mr K contacted our service and we contacted Carnegie. In December 2016 Carnegie explained that neither the course nor the loan could be cancelled and that Mr K would need to repay the loan as initially agreed.

Mr K wasn't happy and asked us to look into the complaint. The investigator didn't uphold the complaint. She didn't think the course had been misrepresented. She also thought the documents were clear that the loan couldn't be cancelled outside of the 14 day cooling off period.

Mr K didn't agree. He told us he didn't read anything before signing it because the salesman didn't give him time. As this didn't change the investigator's opinion the complaint has been passed to me to review.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done this I'm not upholding the complaint and I'll explain why.

Mr K told us the salesman misrepresented the course. I don't know exactly what was said during the meeting. So I have to rely on the documents from the time that Mr K and Carnegie have given me.

Firstly Mr K signed the course registration form to confirm he'd read and understood the cancellation rights. The cancellation rights were explained under the heading Notice of the Right to Cancel the Contract. This mentioned the 14 day cancellation period four times. This document also gave the contact address, email and Freephone telephone number for the course provider.

The credit agreement, which Mr K also signed, said he had the right to withdraw from the agreement without any reason, during the first 14 calendar days (the cooling off period). It

also said if he withdrew from the agreement outside the cooling off period, he'd have to repay the full credit amount. This document gave Carnegie's contact address, email and Freephone telephone number.

I can understand it must have been frustrating to not be able to get in touch with the salesman. But I'm happy Mr K had alternative contact details if he needed to speak to someone about the course or the finance.

I think the documents were clear about Mr K's cancellation rights. Mr K said he didn't read anything before signing it because the salesman didn't give him time. But I would expect someone entering into a loan agreement for a large amount of money to read over these documents. I can also see that Mr K gave us a copy of the documents. So it seems he kept a copy and so could've read them at any time.

I understand Mr K trusted the salesman and may have relied on what he said about the locations of the assessment centres. There weren't any assessment centres in the location Mr K wanted. But there were some which were accessible to him. The registration form mentioned the location of the practical sessions would be agreed when Mr K became eligible. To be eligible to start going to the practical centres Mr K needed to complete 11 assignments and a health and safety test. I haven't seen anything to suggest Mr K did this or attempted to go to an assessment centre before he decided to relocate. So I can't see what impact this had on him.

So overall, I can't see evidence that the course was misrepresented to him and I can't ask Carnegie to cancel the finance agreement.

Mr K said he can't afford to pay the monthly amount and doesn't want to lose money for nothing. I can see the course provider has transferred him to another course at his request and have explained to him he can claim some money towards travel costs when visiting the assessment centres.

If he feels he can't afford to make the payments he will need to contact Carnegie about this. Carnegie has explained it will need Mr K to complete an income and expenditure form before it can consider reducing the monthly payments. I don't think this is unreasonable.

my final decision

For the reasons set out above, I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 28 March 2017.

Melissa Grove
ombudsman