

complaint

Mr B complains that Carnegie Consumer Finance Limited (“Carnegie”) have not allowed him to cancel a finance agreement he has with them.

background

Mr B signed up for a course on 17 January 2019. He funded the course through a fixed sum loan with Carnegie.

On 16 February 2019 he told Carnegie that he wanted to cancel the agreement. They explained that he was allowed to cancel within 14 days of the date he signed the agreement with them but that his request had been made too late.

Mr B explained that he wasn't given a copy of the agreement when he signed it and that the posted copy, whilst dated 24 January, hadn't arrived until 4 February. He said this meant he had applied to cancel within 14 days.

Mr B therefore referred his complaint to this service and our investigator provided her opinion. She thought it was reasonable to suggest the agreement was executed when it was signed and she therefore thought it was clear Mr B had not applied to cancel his agreement in time.

But Mr B disagreed. He said he wasn't out of time as he hadn't received the agreement until 4 February 2019 and he said he hadn't started the course and had returned the materials. He therefore asked for a final decision by an ombudsman.

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 agree with the investigator's view. I know that will disappoint Mr B so please let me explain why.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr B funded his course through a fixed sum loan agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The relevant legislation allowed Mr B a 14 day cooling off period were it was possible to cancel his agreement.

The agreement explained that the 14 days began “...*the day after the day on which you receive a copy of the executed agreement and ending 14 days later*”

I think it's reasonable to suggest the agreement was executed on 17 January 2019 when Mr B signed it. But it's then necessary for me to consider when he *received* it because the terms of the contract explain that the 14 days only begin when it's received.

I think it's most likely a copy of the agreement was received on 17 January 2019. I say that because:

- that's when it was signed and I think that's the most likely point at which a copy would be provided;
- the enrolment form that was in the welcome pack explains that Mr B is signing to say he's received a copy of the agreement.

But even if I'm wrong about that, I note a copy of the agreement was included in with the welcome letter that was sent to Mr B and dated 24 January 2019. Mr B says he didn't receive this until the 4 February but I'm persuaded it's more likely that the letter was received earlier and would still have given Mr B enough time to cancel the course without liability.

So I'm afraid I don't think there's sufficient evidence here that Mr B made a request to cancel within the 14 day cooling off period.

my final decision

For the reasons I've given 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 30 April 2020.

Phil McMahon
ombudsman