

The complaint

Mr D complains that Carnegie Consumer Finance Limited won't refund to him the money that he's claimed for an electrician's training course that he paid for using a fixed sum loan agreement and that it won't cancel the loan agreement. He's being helped with his complaint by a representative.

What happened

The details of this complaint are well known to both parties and have been set out by the investigator so I won't repeat them again here. Instead I'll focus on giving the reasons for my decision.

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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- Mr D entered into a fixed sum loan agreement with Carnegie Consumer Finance, that he signed in September 2017 to pay for an electrician's training course – the cost of the course was £7,145 and he paid a deposit of £50 so the loan was for £7,095 which he agreed to repay by 43 monthly payments of £165 – the loan was interest free;
- he also signed the course provider's registration form to enrol for the course which was described as *"full service electrical installer"*;
- Mr D says that he failed pre-attendance tests in January and February 2019 and that, having reviewed a health and safety assignment manual that he received in March 2019, he became suspicious that he might have been *"scammed"* about the course, so he sent an e-mail to the course provider to say that he was cancelling the course - he also stopped making payments to Carnegie Consumer Finance and complained to this service;
- our investigator didn't consider that there had been a breach of contract or misrepresentation by the course provider so he didn't think that he could reasonably ask Carnegie Consumer Finance to cancel the loan agreement as he didn't think that it made any error when considering Mr D's claim;
- Mr D has asked for his complaint to be considered by an ombudsman and says that the course provider's website is now inaccessible and he's referred to other complaints that he's found online about the course provider;
- in certain circumstances, section 75 of the Consumer Credit Act 1974 gives a consumer an equal right to claim against the supplier of goods or services or the provider of credit if there's been a breach of contract or misrepresentation by the supplier;

- to be able to uphold Mr D's complaint about Carnegie Consumer Finance, I must be satisfied that there's been a breach of contract or misrepresentation by the course provider and that Carnegie Consumer Finance's response to his claim under section 75 wasn't fair or reasonable – but I'm not determining the outcome of Mr D's claim under section 75 as only a court would be able to do that;
- Mr D signed the registration form for the course and confirmed that he agreed to the conditions that it contained, including about cancellation – the course was described on that form and he confirmed that he'd received the complete course kit, the study guide and the plan of the course;
- more than a year later he says that he failed some pre-attendance tests, reviewed a health and safety assignment manual and became suspicious that he might have been "*scammed*" about the course so asked to cancel his course – but he had no right to cancel the course at the time (the 14 day cancellation period set out in the registration form had expired) and I'm not persuaded that the course was a "*scam*";
- I've considered Mr D's description of the way that the course was sold to him and I consider that the course was clearly described on the registration form and in the course materials and I'm not persuaded that there's enough evidence to show that the course, or the loan agreement, was misrepresented to him;
- Carnegie Consumer Finance says that the course provider is prepared to extend the course for Mr D and it has described the use that he made of the course between September 2017 and March 2019 – without making a complaint about it;
- Mr D says that the course provider's website is inaccessible but the website says: "*We regret to inform you that we are currently not accepting new registrations at this time, and that the college and its courses are fully subscribed*" – and Carnegie Consumer Finance says that Mr D has phone, e-mail and address details for the course provider and access to its online portal;
- Mr D has referred to other online complaints about the course provider – but those complaints aren't enough to show that the course provider has breached its contract with him or that it misrepresented the course or the loan agreement to him;
- I sympathise with Mr D for the issues that he's had with the course, but I'm not persuaded that there's enough evidence to show that there's been a breach of contract or misrepresentation by the course provider and I consider that Carnegie Consumer Finance's response to his claim was fair and reasonable in these circumstances; and
- I find that it wouldn't be fair or reasonable for me to require Carnegie Consumer Finance to allow Mr D to end his loan agreement, to refund to him any of the repayments that he's made to it, to pay him any other compensation or to take any other action in response to his complaint.

Mr D has stopped making payments to Carnegie Consumer Finance so his account is in arrears. I suggest that he contacts it about the arrears and the further repayments that will be due to it under the agreement and tries to agree an affordable repayment arrangement for the amount that he owes to it. If he's experiencing financial difficulties he should explain those difficulties to it. Carnegie Consumer Finance is required to respond to any such difficulties positively and sympathetically.

My final decision

My decision is that I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 1 March 2021.

Jarrold Hastings
Ombudsman