

The complaint

Mrs D has complained about the way Santander Consumer (UK) plc T/A Santander Consumer Finance (SCUK) dealt with a voluntary termination of a conditional sale agreement.

What happened

In April 2019 Mrs D entered into a conditional sale agreement with SCUK to acquire a new holiday home. The cash price was £52,610 and Mrs D made an advanced payment of £5,300.

I can see that in January 2023 Mrs D spoke to SCUK about voluntary termination of the agreement. SCUK's notes say it sent a text to her about it and sent a settlement letter. Mrs D emailed SCUK on 27 January 2023 and saying she was looking to make a voluntary termination on the holiday home. SCUK emailed her back straight away to ask she resent the email saying *I would like to voluntary my finance agreement* [sic].

It looks like Mrs D spoke to SCUK again on 31 January 2023 saying she wanted to voluntary terminate. And SCUK's notes say it asked her to resend the email with the exact wording to make this clear.

Mrs D cleared some arrears the following day and SCUK's notes say she would resend the voluntary termination email. SCUK's notes indicate Mrs D wrote to SCUK on 8 February saying *I would like to voluntary my finance agreement* [sic]. SCUK wrote back again straight away apologising and asking her to resend her email saying *I would like to voluntary terminate my finance agreement*. It looks like Mrs D spoke to SCUK and explained she wanted to proceed with the voluntary termination. SCUK says this was noted on 8 February 2023. The notes say she'd removed personal items but had not given the keys back yet and SCUK asked her to do that within the next 10 days. It looks like she also spoke to SCUK about the outstanding balance.

SCUK got in touch with the holiday home site over the next few days. And Mrs D spoke to SCUK on 13 February 2023 saying she thought she'd been misadvised about what to do with the keys. The notes say she was told previously someone would collect the keys but was then told to drop them off. She lives two and a half hours away from the holiday home site and when she went to drop the keys off the site wouldn't take them because it hadn't heard from SCUK. So Mrs D raised a complaint and SCUK said it would be in touch.

I can see SCUK got back in touch with the holiday home site again the same day Mrs D complained. It looks like there was some confusion with what site the holiday home was on. Mrs D spoke to SCUK on 15 February 2023 saying she was worried she'd left the site over a week ago and that she would be liable for any excess wear and tear while she wasn't there. SCUK continued to liaise with the holiday home site over the next few days. Mrs D complained again on 17 February 2023 saying she'd not received any paperwork from it.

SCUK were having some issues getting things resolved with the holiday home site. Mrs D contacted SCUK to say she'd spoken to the site and that they were waiting for paperwork

from SCUK. Mrs D also explained she was unhappy she'd incurred extra site fees. SCUK's notes say that if Mrs D called back in to tell her SCUK had sent an invoice to the holiday home site and that she could call the site and arrange to post the keys to the relevant contact. The notes also said to ask Mrs D for evidence of the fees she'd incurred as a result of the delays.

There was further correspondence between SCUK and the holiday home site towards the end of February 2023. Mrs D also wanted an update and SCUK told her the issue it was having was that it didn't have an authorised contact at the holiday home site to deal with. Mrs D handed the keys back and said she'd had to pay site fees for December, January and February. SCUK's notes say she told it she'd paid £2,900 for the three months. There was 60% off the year's fees. SCUK asked for evidence.

Mrs D wanted an update to her complaint. She was unhappy she spent weekends trying to resolve things and that SCUK gave her the wrong wording to use for voluntary termination. SCUK offered her £400, but she was unhappy with this. She says this just covered the two round trips to the holiday home site and not the misinformation and delays.

Mrs D referred her complaint to our service to consider. She said the process took longer than it should have done and that it led to an extra month of site fees to the holiday home site. She requested SCUK pay her a further £1,000 to cover the site fees she incurred and the distress and inconvenience caused.

Our investigator looked into things and said he thought the compensation was fair but that SCUK should reimburse Mrs D for any additional costs she incurred as a result of the delays. SCUK agreed. Mrs D requested £800 towards the site fees which should have been paid by the end of January, £270 for the cost of having to make two trips to the holiday home site, and £500 for the distress and inconvenience caused. She also supplied information about the year's site fees.

Our investigator considered the further evidence but didn't think the delays had led to an increase in site fees. And he thought the compensation already offered was broadly fair.

I issued a provisional decision that said:

Mrs D is complaining about the way SCUK dealt with the voluntary termination of a conditional sale agreement. This is a regulated consumer credit agreement, and our service has the power to deal with complaints relating to these sorts of agreements.

It's not in dispute there was some misinformation given by SCUK and there were some delays in resolving the voluntary termination. Ultimately Mrs D thinks matter took around a month longer than they should have. She's unhappy she had to make two visits to the holiday home site, and she says she's lost out by having to pay higher site fees than she would have done had the voluntary termination been carried out promptly.

SCUK has offered Mrs D £400 compensation. While I appreciate Mrs D doesn't agree, I think this is broadly fair in all the circumstances. It took around a month to resolve the voluntary termination. There were several emails and telephone calls back and forth which of course would have been time consuming. While I can't hold SCUK responsible for mistakes the holiday home site may have made, Mrs D just wanted to voluntarily terminate the agreement, so I'm sure she wanted this done efficiently. And I think SCUK has contributed to some of the delays.

I imagine Mrs D was very frustrated it wasn't easier to resolve things. But, in the round, I think £400 is a fair amount of compensation for what went wrong given things were resolved

within around a month. I appreciate Mrs D wants SCUK to cover a pence per mile for the trips she had to make. That's not something I'm going to direct it to do because I'm considering things holistically. I don't find I have the grounds to direct SCUK to do more.

I've next thought about the losses Mrs D says she's incurred. This is mainly in relation to the site fees. Mrs D says she's paid for a month more than she should have done. Based on what I've said above, the earliest I've seen that Mrs D could have voluntarily terminated the agreement was on 27 January 2023 when she emailed SCUK saying she was looking to make a voluntary termination. But to be fair to SCUK, it did email back straight away asking for different wording – albeit there was an error in what it said. It wasn't until 8 February 2023 that Mrs D wrote back in asking to voluntarily terminate – which is the date SCUK noted.

There was always going to be some extra work needed with regards to removing belongings and giving back the key. Mrs D paid her outstanding liability (to the holiday home site) on 24 February 2023. So the delays didn't take a whole month, but I think it's fair to say it took a bit longer than it should have.

The site fees for the year were £7,841.96 and the annual rates were £690.12. This totals £8,532.08. Mrs D has shown us the final invoice from 24 February 2023 which says the amount outstanding on her account was £8,187.96. But the holiday home site gave a site fees rebate of £4,705.17 and a rates rebate of £517.59. This left Mrs D with £2,965.20 to pay.

I've not got enough evidence to determine how the rebate was calculated. It looks like Mrs D paid for around a third of the year. But based on the evidence I currently have I can't simply direct SCUK to pay back Mrs D for a certain number of days by calculating things myself. The important thing is that, as it stands, I've not got evidence the delays have led to a financial loss to Mrs D.

If Mrs D can obtain sufficient evidence that she would have received a larger rebate had she settled things with the holiday home site on 27 January 2023 I think it fair that this amount is reimbursed to Mrs D by SCUK. But if she's unable to obtain that, I consider SCUK's offer of £400 to be fair in all the circumstances. I appreciate 27 January 2023 might not have been the exact date she ended up settling thing with the holiday home site. I suspect it might have taken a few more days. But I think it seems like a fair date to use given what happened. And SCUK has previously indicated it would agree to this.

Mrs D should reply to this provisional decision with the evidence I've mentioned, if she's able to.

I can't see we received a response from SCUK. Mrs D responded to reiterate SCUK had given her wrong information about handing back the keys and that she had to go to the holiday home site three times. She said there shouldn't have been confusion around which site the holiday home was on. She said the process should have been finished by the end of January 2023. And she also supplied evidence to show if she'd left the site in January, she would have received a 70% rebate of pitch/site fees (excluding rates), instead of the 60% rebate she received from leaving in February.

I asked the investigator to write back to explain to SCUK that Mrs D supplied evidence of what she would have received as a rebate if she'd ended the site agreement in January as opposed to February. I explained that the year's site fees were £7,841.96. Mrs D received a 60% rebate (£4,705.17) but I calculated that I think she could have received a 70% rebate (£5,489.37) if she'd ended things in January. I thought SCUK should reimburse Mrs D the difference - £784. 20). I thought this was a fair and reasonable way to resolve the complaint

and it was in line with what SCUK had previously agreed to. I can't see we've had a response from SCUK.

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.

I want to thank Mrs D for her response. I've set out in my provisional decision why I think the £400 compensation is broadly fair. I'm not going to go over that again. I also explained why it's not totally clear Mrs D would have finalised everything in January, but given the saving for her if she did, there's a good chance she may have done. I give Mrs D the benefit of the doubt. And, in the round, I think a fair and reasonable outcome is for Mrs D to receive the difference in the rebate as well as the compensation. I'm not going to direct SCUK to pay anything else on top of this.

Putting things right

Santander Consumer (UK) plc T/A Santander Consumer Finance should:

- Pay Mrs D £400 compensation
- Reimburse Mrs D £784.20 in relation to the site fees rebate.

My final decision

My final decision is that I uphold this complaint and direct Santander Consumer (UK) plc T/A Santander Consumer Finance to put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 24 November 2023.

Simon Wingfield
Ombudsman