

## **The complaint**

Mrs L complains that Ikano Bank AB (publ) has rejected a claim she made under sections 75 and 140 of the Consumer Credit Act 1974.

## **What happened**

In 2017, Mrs L purchased a battery storage system, which was connected to her existing solar panel system. She paid for it using a fixed sum loan agreement with Ikano, which was repayable over ten years, after the initial repayment was deferred for 6 months.

In 2022, a claims management company ("CMC") made a claim to Ikano on Mrs L's behalf. This alleged that the supplier had told Mrs L that the battery would pay for itself, because her electricity bills would reduce sufficiently to offset the monthly loan repayments. The CMC said this was a misrepresentation and that Ikano's relationship with Mrs L was unfair on her.

Ikano rejected the claim. Mrs L then made a complaint, which was referred to the Financial Ombudsman Service, since Ikano did not change its position.

Our investigator looked at what had happened but did not recommend the complaint be upheld.

Mrs L remains unhappy, so I've been asked to make a decision on her complaint.

## **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've decided not to uphold this complaint.

I'm not persuaded that Mrs L was told the system would pay for itself in the way alleged. The only evidence of this is Mrs L recollection of what happened. But I don't find this to be sufficiently plausible and persuasive for me to uphold the complaint.

At the time of the sale Mrs L's energy bills were £59 per month (which included electricity and gas). She agreed to pay for the battery with a loan, which (after the first six months) required her to make repayments of £69.95 per month for ten years. This is more than her total energy bills at that time. So, there was no way that she could save enough on her energy bills to completely offset the loan repayments from the start – even if her bills immediately reduced to nothing.

Also, Mrs L has not taken any action in relation to this for around five years. This undermines her recollection. If her expectation immediately after the sale was that the battery would pay for itself from the start, then she'd have realised soon after installation that it was not doing so, and I she would've taken action much sooner – such as by complaining to the company that sold her the battery. But there is no suggestion that she did this. Instead, she did nothing for around five years.

So, I don't think there was a misrepresentation. And I have seen nothing that makes me think Ikano's relationship with Mrs L was unfair on her. In conclusion, I do not think that Ikano has done anything wrong by rejecting Mrs L's claim and complaint.

**My final decision**

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 8 January 2024.

Phillip Lai-Fang  
**Ombudsman**