

## **Complaint**

Mr W has complained that Santander UK Plc (“Santander”) rejected his claim against it under Section 75 of the Consumer Credit Act 1974.

## **Background**

Mr W bought solar panels for his home in 2015. The purchase was funded using a Santander credit card, and that business is therefore liable for the acts and omissions of the installer under the relevant legislation. In this case, that relates to the installer misleading Mr W into believing that the panels would be self-funding within 9 years, which they weren’t.

Mr W’s complaint was considered by one of our adjudicators. She thought that the benefits of the panels were mis-represented to Mr W, and that fair redress would be for Santander to calculate the likely benefits the solar panels would provide over a nine-year period. This calculation should be based on evidence of the actual performance of the panels, and a number of assumptions on future performance. And Mr W should be charged no more than this amount.

Santander didn’t agree – it said that any figures given to Mr W were estimates and not guarantees, so it didn’t think the complaint should be upheld. The case was therefore passed to 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.

Santander is familiar with all the rules, regulations and good industry practice we consider when looking at complaints of this type, and indeed our well-established approach. So, I don’t consider it necessary to set all of that out in this decision.

Mr W says he was told that the total financial benefits provided by the solar panel system would cover the overall costs associated with the system within 9 years.

I can see in the quote provided by the installer explicitly says the payback year is year 9. The annual estimated savings over a 20-year period listed are exceptionally high, which does indicate the cost of the solar panels would be recouped within that time period.

I understand Santander feels that any figures given to Mr W were estimates and not guarantees and this was made clear in the documentation. However, as our adjudicator pointed out, while I accept that the figures quoted were not guarantees, we would still expect any representations made to not be mis-leading, to be drawn from data and any assumptions made to be reasonable.

Having carefully considered everything provided, for the same reasons as those explained by the adjudicator, I uphold this case. In brief, that is because the evidence supports the conclusion that a misrepresentation took place and Mr W was not given clear information to

demonstrate that the solar panels would *not* be self-funding within 9 years and that it would equate to an additional cost for him.

So, I think that Santander didn't treat Mr W fairly and he lost out because of what Santander did wrong. And this means that it should put things right.

### **Fair compensation – what Santander needs to do to put things right for Mr W.**

Having thought about everything, I think that it would be fair and reasonable in all the circumstances of Mr W's complaint for Santander to put things right by calculating the known and assumed savings and income to Mr W from the solar panels over a 9 year period, so he pays no more than that. Santander must pay him the difference between that amount and the total amount he paid for the panels.

I also direct that interest must be paid on that sum at the rate of 8% a year (simple) from the date of the purchase to the date of settlement.

Mr W may also keep the solar panel system, as removing it would be impractical and expensive.

In the event the calculation shows that Mr W has paid more than he should have, then Santander needs to reimburse him accordingly. Should the calculation show that the misrepresentation has not caused a financial loss, then the calculation should be shared with Mr W by way of explanation.

I'm satisfied that there was sufficient information available at the time that Mr W first contacted Santander that means the claim should have been upheld. I direct that Santander should pay £100 compensation for the trouble and upset caused.

### **My final decision**

For the reasons I've explained, I'm upholding Mr W's complaint. Santander UK Plc should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 April 2022.

Asma Begum  
**Ombudsman**