

The complaint

Miss D says that Santander Consumer (UK) Plc (Santander) were unreasonable to pay car parking fines on her behalf and apply an administration fee.

What happened

Miss D took out a hire agreement in January 2024 to fund the provision of a car.

In August 2024 she incurred parking fines. Santander paid those on her behalf and applied administration fees. They said that was in line with the terms and conditions of Miss D's agreement with them.

Miss D didn't think that fair. She thought Santander should have transferred the fines to her so that she could settle them. She referred her complaint to this service but when our investigator didn't think Santander had been unreasonable, Miss D asked for a final decision by an ombudsman.

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 know it will disappoint Miss D, but I'm not upholding this complaint. I'll 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.

Miss D acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The terms of Miss D's agreement with Santander explained that Miss D needed to:

- *pay on time all licence fees, charges (including congestion charges, tolls etc), taxes and other sums due relating to the vehicle or its use. We may pay the amount of such charges for you. You will then repay that amount to us on demand together with such sum as we consider reasonable to cover our administration costs connected with the charge. Our costs will be at least £30; (Section 5.1.5.)*
- *promptly reimburse us for all parking fines and other fixed penalties or charges that we have paid in relation to the vehicle. You will also pay us such sums as we consider reasonable to cover our administration costs connected with these payments. Our costs will be at least £30. (Section 5.1.9.)*

So, I don't think it would be fair to suggest Santander were unreasonable to apply those terms, pay the fines on Miss D's behalf and charge an administration fee of £30.

Miss D has suggested that Santander should have passed the fines directly to her as the Key Information Sheet suggested. But that sheet also explained that Santander may chose to pay the fines on Miss D's behalf so I can't say Santander were unreasonable to do so.

Santander have explained that they take that approach as the alternative is to pass on the fines to consumers and the delay may lead to consumers missing an opportunity to benefit from early payment discounts. I think that sounds reasonable.

I understand that when fines are paid it may limited a consumer's right to appeal. Miss D has explained that was the case here, but I can see that on that basis Santander agreed to refund one fine and the associated administration charge, so I don't think Miss D was disadvantaged. She's suggested she wasn't able to pass on liability to the person who was driving but I don't think Santander's actions have limited her chance of doing that.

Miss D doesn't think an administration fee of £30 can be justified. It's for Santander to decide how much to charge in those circumstances. They set out how much the administration charge was likely to be in their terms and I don't think £30 is excessive.

Ultimately, I don't think Santander have done anything wrong here and I'm not asking them to take any action.

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 Miss D to accept or reject my decision before 24 February 2025.

Phillip McMahon
Ombudsman