

The complaint

Mr F complains about the lack of response from LeasePlan UK Limited (LeasePlan) and their failure to provide him with information to settle his hire agreement with them.

Mr F has been represented on this complaint. But to keep things simple I'll only refer to Mr F in my decision.

What happened

In May 2021, Mr F acquired a vehicle through a hire agreement with LeasePlan. An advanced rental is listed as £1,020. For the minimum period of hire, Mr F was due to make 59 monthly rentals of £207.37 followed by a final rental of £6,573.

Mr F said that from November 2023 he made a number of requests for a settlement quotation which he said he didn't receive and as a result ended up losing out on potential buyers of his vehicle. Mr F said the vehicle was eventually sold but LeasePlan continued to deduct and invoice him for monthly payments.

Mr F says the correspondence he sent to LeasePlan wasn't acknowledged and he didn't receive any contact from LeasePlan in relation to his complaint with them. He said the situation was stressful and professionally embarrassing and he's lost out financially as a result of LeasePlan's actions.

Mr F said he wants LeasePlan to compensate him £1000 and confirm that no adverse markers have been applied to his credit file.

LeasePlan didn't provide a final response to Mr F's complaint, so he brought it to our service where it was passed to one of our investigators to look into. Within their case file submission LeasePlan explained that due to a transition to new systems they were unable to process the settlement requests Mr F made, however they said they were able to honour the original termination quotation from December 2023 and refund to Mr F any overpayments he made from that date.

Having reviewed the information on file, the investigator concluded that LeasePlan hadn't acted fairly and recommended that they pay Mr F £250 in compensation for the distress and inconvenience caused.

LeasePlan responded to say that they agreed with the investigator's assessment and confirmed that they'd paid Mr F £250. However, Mr F didn't accept the investigator's findings and asked that the complaint be referred to an ombudsman for a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Mr F complains about a hire agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr F's complaint about LeasePlan.

In their file submission LeasePlan have acknowledged the poor service they provided to Mr F and confirmed the circumstances of the complaint against them.

So, I don't consider that the detail of the complaint is in dispute. That a number of requests were made to LeasePlan for a settlement quotation which they delayed in providing, is not in question. It's also not disputed that Mr F sold the vehicle for a quotation from December 2023 and was invoiced by LeasePlan for additional payments. What appears to be in dispute is how the complaint is best resolved.

In his complaint form, Mr F said he wanted LeasePlan to pay him £1000 and to ensure no adverse information was on his credit file. However, LeasePlan accepted the investigator's recommendation to pay Mr F £250 in compensation.

LeasePlan have confirmed that the agreement is settled, and the vehicle transferred to a third party. They've also confirmed Mr F was refunded his overpayments, along with £250 in compensation. I've also been given no reason to consider Mr F's credit file has been adversely impacted from this, for example that any payments were missed or not made on time. So, all things considered; I'm satisfied the outcome reached by the investigator is fair in the circumstances.

LeasePlan honoured the original settlement quotation from December 2023, and refunded all additional payments made by Mr F, which puts him as close as is reasonably possible, in the position he would have been, had the vehicle been sold on at that point.

The compensation payment of £250 I think fairly recognises the inconvenience caused from the delays as a result of LeasePlan's system issues.

I acknowledge Mr F has told us about loss of earnings, but I haven't seen any evidence that LeasePlan's actions were directly responsible for Mr F being unable to work. Mr F said he took time off to resolve the issue, however I'm not persuaded Mr F was forced to do so, or that it was his actions here which resolved things. LeasePlan confirmed it was the resolution of their systems issues that led to the correct quotations being produced.

All things considered, Mr F hasn't provided any further evidence to demonstrate there was any further impact on him as a result of this situation, and so I'm satisfied that £250 in compensation is a fair resolution in the circumstances of this complaint.

My final decision

To settle the complaint LeasePlan UK Limited has confirmed to us that they've paid Mr F £250 in compensation. I think this is fair in all the circumstances. So, I'm not going to ask LeasePlan UK Limited to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 7 March 2025.

Benjamin John
Ombudsman