

The complaint

Mrs H complains about the service she received from LeasePlan UK Limited when she tried to renegotiate her hire agreement.

What happened

In September 2015 Mrs H was supplied with a car and entered a 36 month hire agreement with LeasePlan.

Mrs H requested to extend the term, and a formal extension was granted from 1 April 2019 to 31 March 2020. Following this, Mrs H was rolled on to an extended agreement where either party could give 7 days' notice to end the agreement.

The agreement ended in 2024 when LeasePlan told Mrs H the agreement couldn't continue. Mrs H asked if she could purchase the vehicle from LeasePlan.

Mrs H raised a complaint in May 2024. LeasePlan didn't uphold the complaint, so Mrs H brought her complaint to this service.

Mrs H purchased the vehicle from LeasePlan in August 2024.

Our investigator upheld the complaint. She said that compensation of £150 was warranted for the trouble and upset caused by LeasePlan not updating Mrs H's details and the threat of repossession and bailiffs.

Mrs H didn't agree. She said that LeasePlan failed to provide her with the information about her broker which she required to make an informed decision, Mrs H said that in the many conversations she'd had with LeasePlan she was not told that she wouldn't be able to negotiate a further contract renewal. She said she was only given this information when she made her complaint. Mrs H said that had she been aware that she couldn't renew the contract, she could've given notice to terminate the contract.

Because Mrs H didn't agree I've been asked to review the 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.

Mrs H has raised four separate complaint points. These are:

1. Direct debit claimed twice
2. Bailiffs were sent to her home without any prior communication being attempted to advise her that she was in arrears
3. The service she received when she contacted LeasePlan to renew the contract. Mrs H says that as a result she's been paying inflated monthly rentals for years. Mrs H says that

when she complained about this. LeasePlan told her it was ending the agreement.

4. LeasePlan have pursued her for missed payments even though she's purchased the car.

I'm unable to look into the first complaint point because LeasePlan dealt with the complaint and offered a resolution in June 2020. The complaint would need to be referred to this service within 6 months of the businesses final response in order for it to be considered.

The fourth complaint point didn't form part of Mrs H's original complaint to LeasePlan I'm not able to consider it.

I will therefore focus on complaint points two and three.

Bailiffs

Mrs H has told this service that in August 2022 she made a mistake on LeasePlan's payment system which she used to make manual payments every month and paid an amount of £208.88 instead of £308.88. Mrs H says the error happened twice and by the third month LeasePlan had sent bailiffs to her home with no warning.

Mrs H says that when she contacted LeasePlan to ask them why they hadn't contacted her about the arrears, she was advised that they didn't hold contact details for her. Mrs H says that her contact details were included every time she made a manual payment.

Mrs H says she paid the arrears and asked to renegotiate the contact but was advised by LeasePlan that she would need to speak to her broker about this. Mrs H says she asked LeasePlan who her broker was but was advised that they didn't hold this information.

LeasePlan has provided information which shows that it tried to contact Mrs H before the bailiffs attended. They sent emails and tried to call but they held the incorrect contact information for Mrs H. LeasePlan also sent letters, but Mrs H says she never received these.

It then came to light that Mrs H had previously requested to update her contact details, but LeasePlan had failed to action this.

I can see that LeasePlan waived the £300 repossession fee and took action to update Mrs H's details. I don't think LeasePlan did enough to resolve this aspect of the complaint. I say this because Mrs H was caused significant distress and inconvenience when bailiffs turned up at her home without warning. I agree with the investigator that LeasePlan should pay compensation in recognition of the administrative failing which led to the upset caused to Mrs H.

Service issues

I've reviewed the agreement which Mrs H signed in March 2019. This sets out the key features of the agreement. It states that at the end of the hire period (March 2020), the monthly rentals will be £308.22, and the agreement will continue on this basis unless either party gives written notice to terminate the agreement.

The agreement gives either party the right to terminate. It follows that Mrs H could've exercised this right and returned the car at any time after 31 March 2020.

Mrs H has told this service that she was trying to renegotiate the contract for 4 years, but that LeasePlan refused to discuss this with her and referred her to her broker. Mrs H says that when she asked for details of who her broker was LeasePlan said they didn't hold this

information. Ultimately, Mrs H managed to locate her broker but says the broker referred her back to LeasePlan.

LeasePlan has explained that discussions regarding options at the end of the lease period are directed to the broker. LeasePlan says it is unable to comment on any discussions that Mrs H had with her broker, but it has received information from the broker which shows that in 2019 the broker attempted to communicate with Mrs H about her end of lease options by calling and sending emails. The broker also confirmed to LeasePlan that it had advised Mrs H in 2019 that because one extension had already been completed, no further extensions could be negotiated.

I appreciate that it was later on (in 2022 and onwards) that Mrs H enquired about renegotiating her agreement. However, it does appear that Mrs H's broker had advised her in 2019 that only one extension was permitted.

I understand that Mrs H feels that LeasePlan weren't helpful when she contacted them about renegotiating her agreement. I agree that – rather than refer her back to her broker - it would have been better if LeasePlan had simply advised Mrs H that the contract couldn't be renegotiated. I note, however, that Mrs H's broker had already told her this in 2019 and further, the 2019 agreement gave Mrs H the right to terminate the agreement at any time. So whilst I acknowledge Mrs H's strength of feeling and frustration that she's been paying what she considers to be too much in monthly rentals since 2019, this was as a result of a choice she made not to terminate the agreement in 2019.

Putting things right

Taking everything into consideration, and whilst as I've said above, I think compensation should be paid by LeasePlan for the distress caused to Mrs H when the bailiffs attended her home, I won't be upholding any further aspects of the complaint which means I won't be asking LeasePlan to refund any of the monthly rentals. This is because Mrs H was aware of the monthly rental amount once the extended agreement had ended in 2019 and it was Mrs H's choice to continue with the agreement when she could have handed the car back at any time after 2019.

I'm therefore asking LeasePlan to pay compensation of £150 to Mrs H for the distress and inconvenience caused when the bailiffs attended without warning due to LeasePlan's failure to update Mrs H's contact details.

My final decision

My final decision is that I partially uphold the complaint. LeasePlan UK Limited must pay compensation of £150 to Mrs H.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 12 June 2025.

Emma Davy
Ombudsman