

## **The complaint**

Mr M complains that he was mis-sold a caravan which was financed using a hire purchase agreement with Black Horse Limited ("Black Horse").

## **What happened**

In July 2023, Mr M entered into a Licence Agreement for a holiday caravan pitch with a company I'll call 'B'. Mr M also entered into a hire purchase agreement with Black Horse for the supply of a caravan.

Mr M complained to Black Horse in December 2023. He said that:

- He wasn't told a commission payment was due to the park, should he decide to sell the caravan privately.
- He wasn't told the site fees would increase.
- He was unhappy with the amount of annual maintenance costs which included a drainage cost.
- B sold one of their own caravans to a potential buyer of his caravan.

Black Horse didn't uphold the complaint. They said that:

- B told them they had highlighted the commission payment, the potential increase in site fees and the annual maintenance costs during the welcome meeting and in the park agreement Mr M signed.
- The issue around B selling their own caravan to Mr M's prospective buyer didn't form part of the agreement he took out with Black Horse.

Mr M wasn't happy and referred his complaint to our service. Our investigator didn't recommend that Black Horse needed to do anything. Mr M didn't agree and so his complaint has been passed to me to review.

## **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.

When considering what's fair and reasonable, I take into account relevant law, regulations and guidance.

I would firstly like to correct something that our investigator said. She mentioned in her view to Mr M that section 75 of the Consumer Credit Act 1974 (S75) applied to this dispute and that Black Horse was responsible for a breach of contract or a misrepresentation on the part of the supplier (in this case, B). The relevant law though is section 56 of the Consumer

Credit Act 1974 (S56), not S75. The nature of the arrangement between the parties, which I won't go into as it doesn't change my opinion on the merits of this complaint, are such that S75 doesn't apply to this case.

S56 sets out that, under certain circumstances, a finance provider is liable for what was said by a credit broker or supplier before a credit agreement is entered into. So, I can consider most of the issues Mr M complained to Black Horse about. I can't though consider B's actions in allegedly choosing to sell one of their own caravans to Mr M's prospective buyer as that didn't occur prior to Mr M entering the hire purchase agreement, which means S56 isn't applicable, and neither is any other law or legislation that would make Black Horse responsible.

In respect of the other issues, namely the disclosure of a commission payment, the potential increase to the site fees and the annual maintenance costs, those are all aspects that I would consider needed to be disclosed by B prior to Mr M entering into the agreement with Black Horse. So, Black Horse could be responsible if I were to find that some or all those aspects weren't disclosed to him.

It seems that B's stance on this, and indeed Black Horse's, is that all these things would have been discussed with Mr M by their salesperson and that he would therefore have been aware of them. I can't of course be certain whether some or all these things were discussed with Mr M. I note though that the Key Terms of the Licence Agreement that Mr M signed sets out the following, which in my view was done prominently:

- On Page 3 – at the top of the page, a disclaimer titled '*rate of commission payable to us when you sell the caravan privately on its Pitch – 12.5% of resale price achieved plus VAT*'.
- On Page 3 – below the section on commission – a disclaimer titled '*review of site fees*' which says, '*we are entitled to change the Site Fee on the Review Date in accordance with the procedure set out in Clause 8*'.
- Clause 8 of the Licence Agreement is titled '*review of site fees*' and mentions key details on how and when the fees would be reviewed and possibly changed.
- In the Annual Charges section of the Licence Agreement, a bullet point stating that '*site fees are reviewed each year on 30<sup>th</sup> November*'.

I accept that there is nothing specifically in B's Licence Agreement which set out that action surrounding a drain might have been needed at some point. However, it doesn't appear that this was action that wasn't necessary bearing in mind B said that this was to help to protect all caravans on their site during colder months. So, I can't discount that Mr M still would have proceeded with the sale even if B could have disclosed this in more detail to him.

I note also that Mr M says the sales pitch was rushed. However, he did have the opportunity not to proceed if he wanted and I've not seen sufficient evidence that he was pressured into this by B. And, bearing in mind I think the Licence Agreement contained clear information about fees and potential commission payments, I haven't been persuaded overall that Mr M was mis-led by B. It follows therefore that I won't be upholding his complaint against Black Horse.

I would just add though that Mr M has mentioned to us that Black Horse may not have lent to him responsibly. That isn't something though that formed part of his initial complaint to Black Horse. If Mr M wants to make a complaint about Black Horse's decision to lend to him, then he will need to raise that with them separately if he hasn't already done so. We may be able

to investigate that complaint here separately.

**My final decision**

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 July 2025.

Daniel Picken  
**Ombudsman**