

The complaint

Mr P complains about the balance owed under a conditional sale agreement with Santander Consumer (UK) Plc.

What happened

In June 2022, Mr P got a van from a dealer. Around a year later, Mr P gave the van back to the dealer and completed the relevant paperwork with the Driver and Vehicle Licensing Agency (DVLA). But, in December 2023 Mr P took out a conditional sale agreement with Santander to acquire the same vehicle from the same dealer.

In early 2024, Mr P contacted the dealer, as he'd yet to receive a document, to show that he was the keeper of the van. However, while he waited for the document, Mr P was stopped by the police and the van was seized. The police said Mr P didn't have a valid insurance policy in place for the van. To try and prevent the van from being destroyed, Santander collected it from the police compound and arranged for it to be stored with a third party firm.

Over the next few months, Mr P raised concerns with his insurer and Santander. The insurer confirmed that Mr P's policy was cancelled because he had provided an incorrect email address. Santander said they had followed the terms and conditions of the conditional sale agreement, by taking possession of the van.

In the meantime, Mr P acquired another vehicle, so he could continue working. And after attending court, Mr P was found not guilty of driving without insurance. So, he asked Santander to reconsider his complaint. To settle the matter, Mr P wanted Santander to end his agreement, refund all the repayments he had made and the return of his possessions from the van.

Santander responded to Mr P's complaint and said they would waive three months of repayments from the agreement and the legal fees they had incurred. Santander also said they would release the van back to Mr P, if he was able to bring the loan back up to date. Mr P didn't accept Santander's offer and brought his complaint to us.

One of our investigators looked into Mr P's case and found that Santander had treated Mr P fairly. He said Santander wasn't responsible for the seizure of the van and were able to apply the terms and conditions of the agreement. So, the investigator didn't ask Santander to take any further steps.

Mr P didn't agree with the investigator's conclusions and said the repossession of the car started with the dealer not registering the sale with the DVLA correctly. The investigator didn't change his findings and Mr P's complaint has now been passed to me to make a decision.

I sent Mr P and Santander my provisional decision on this case, on 17 July 2025. I explained why I didn't think the complaint should be upheld. A copy of my provisional finding is included below:

Mr P acquired the used van under a conditional sale agreement with Santander. Our service is able to consider complaints relating to these sorts of regulated agreements.

The seizure of the van

Santander say Mr P breached the terms of his conditional sale agreement because it was seized by the police. They say it follows that they could look to terminate Mr P's agreement and repossess the van.

Mr P partly puts the seizure of the van down to the failure of the dealer to change the keeper of the vehicle details with the DVLA. He says his insurance policy would not have been cancelled, had the dealer completed their responsibility correctly. To support what he says, Mr P has provided us with paperwork from the DVLA to show when he was registered as the keeper of the vehicle.

I've looked at that paperwork and I can see where Mr P became the registered keeper of the van in March 2024. This was done on the same day as when the police seized the car. So, I think this is consistent with Mr P's view, that in the months beforehand he wasn't the registered keeper of the vehicle. And that the duty to complete the paperwork wasn't carried out by the dealer, when Mr P took out the conditional sale agreement to get the van in December 2023.

However, I can also see from the evidence that the main reason the car was seized by the police, was because Mr P didn't have an insurance policy in place. Mr P has provided a note from his insurer which says this was because he hadn't given them his correct email address, when he set up the policy.

It may be the case that Mr P's insurer tried to get in touch with him, when they realised he wasn't the registered keeper of the van with the DVLA. It may also be true that Mr P wasn't able to respond to those emails, because they didn't reach his correct email address. But, I don't think this was something which Santander could have influenced. I say this because the issue with the incorrect email address was between Mr P and his insurer.

So, I've gone on to look at Santander's responsibility to Mr P, when the car was seized by the police. 'Section 4.5' of Mr P's conditional sale agreement with Santander says:

"You will not allow the goods to be seized or removed by the police under a statutory power, this will be treated as a breach of the agreement. In the event that the goods are seized or removed we may take the goods into safe custody."

Having considered the terms of Mr P's conditional sale agreement, I think Santander were able to take action to prevent the van from being destroyed. This action also meant Santander were able to start the process of terminating the agreement between them and Mr P.

While I accept Mr P found it upsetting to find he couldn't get his van back from the police compound, I don't think Santander made an error or a mistake when they discovered that the police had seized the vehicle.

Nonetheless, I've gone on to consider what happened, once Mr P made Santander aware of his concerns, to see if they have treated him fairly.

The steps taken by Santander

Santander say that to stop the van from being destroyed, they collected it from the police

compound and took it to an auction house. I can see from Santander's records that this took place in April 2024, shortly after they were advised of the seizure. Santander also say they paused the termination of Mr P's conditional sale agreement, after he made them aware of the problems with the registration of the keeper of the vehicle. Overall, I think these steps were reasonable considering the circumstances.

While Mr P tried to sort things out with his insurer and the police, he acquired a different van so he could continue with his business activities. I empathise with Mr P here, as it's reasonable that he wanted to continue working and needed transport. But, it was also the case that Mr P believed there had been a mistake with the DVLA and his insurer. And that he was aware he may get the van back from Santander if he was proved right.

In August 2024, Mr P obtained a verdict in his favour from a court and explained things to Santander. I think this was the earliest point for when Santander could have been expected to return the car to Mr P.

To try and help Mr P, in October 2024, Santander waived three months of repayments and the legal fees they incurred. The offer was sent to Mr P around two months after the court's verdict. This meant the amount Mr P owed to Santander was reduced by around £2,080. They also said Mr P could take the van back, if he could repay the remaining arrears of the agreement.

I've found that Santander took reasonable precautions when they moved Mr P's van from the police compound to the auction house. I also think the steps Santander took waive the repayments and fees, and to allow Mr P to collect the van were fair. I say this because by waiving three months of repayments, it more than covers the period from when Mr P received the outcome of the court action, to when Santander sent him their offer. In all the circumstances, I think the steps taken by Santander to resolve Mr P's complaint are fair.

During his complaint, Mr P has told us that he already had a replacement van, so Santander's offer didn't really help him. He also says that Santander made another offer to allow him to exit the agreement and refund all his repayments.

Having looked carefully at Santander's records, I can see where he discussed a revised offer with one of their advisors. But, I've not seen where a second offer may have been put forward to Mr P, after they had considered what he said he wanted.

Furthermore, while I understand Mr P's position at having acquired a different vehicle, I've also found that he was aware of what could happen if the court found in his favour. Therefore, I don't think Santander have treated Mr P unfairly, by expecting him to collect the van and continue with the remainder of the conditional sale agreement.

Summary

I've found that there wasn't any error by Santander that led to the seizure of the van by the police, and that they took reasonable steps to secure the vehicle and then release it back to Mr P. So, I think it's fair for Santander to hold Mr P responsible for the repayments due under the finance agreement.

I realise that my conclusions mean that Mr P will still need to make payments to Santander for the remaining balance of the conditional sale agreement. I say this because during our investigation, Santander have sent us records which suggest there is an outstanding amount.

In this instance, I remind Santander of their responsibility to treat Mr P's current financial

circumstances with due consideration and forbearance. This will mean working with Mr P to make sure he is able to make affordable repayments to any outstanding balance, if he's unable to make up the arrears in one lump sum.

Finally, I'm aware that Mr P says there are several personal items that remain in the van. He says it contains lights, shelving, and other materials used for his business. Whether or not Mr P wants to collect the van, it seems reasonable for Santander to allow Mr P to retrieve his personal items.

I've not seen where Santander have prevented Mr P from accessing the vehicle. I know that Mr P wanted written confirmation from Santander and that he may not have received this. But I don't think that means Santander have put obstacles in Mr P's way, or that they have treated him unfairly.

So, I leave it to Mr P and Santander to organise a suitable time for Mr P to collect his belongings. If Mr P has concerns following any arrangement, then he may be able to raise those concerns with Santander as a new complaint.

Both Mr P and Santander responded to the provisional decision. Santander didn't make any further comments, but Mr P did. In summary, he said:

- Santander called him in October 2024 and offered a full refund of the repayments he had made towards the conditional sale agreement, because the dealer had been dishonest with them.
- It's highly likely the DVLA would have contacted him, had the dealer completed the correct paperwork when he acquired the van.
- He wasn't given a copy of the terms and conditions of the conditional sale agreement, which explain what will happen if the police seized the van.
- Many things that happened between the dealer, the DVLA and Santander were out of his control.
- He was made vulnerable to the dealer's mistakes and he was subsequently found not guilty by a magistrate.

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.

Within my findings, I've said I'm not persuaded Santander made an offer to refund everything he had paid under the conditional sale agreement. I accept it is likely Mr P had several telephone conversations with Santander following the court's verdict. And I agree it makes sense that each party would look to find a reasonable solution.

But, there's no mention of the type of offer Mr P has told us about within Santander's records. Additionally, Santander have been consistent with their stance on Mr P's complaint throughout. Furthermore, the one offer I can see Santander made to Mr P in October 2024, seems fair.

I say this because Santander's offer puts Mr P back in the position he would have been in, after the court's verdict in August 2024. In other words, the refund offered by Santander covers the repayments Mr P was due to make, for the two months it took for Mr P and

Santander to sort things out.

Having thought about all the evidence, I think Santander have acknowledged the not guilty verdict given to Mr P and tried to offer a fair solution.

Mr P has told us that he wasn't given a copy of the terms and conditions of his agreement with Santander. Mr P hasn't ever raised this with Santander and I can see from their records where they sent him a document pack containing his conditional sale agreement, when it began in December 2023. So, I'm persuaded that Santander provided the relevant information to Mr P about his borrowing with them.

I've thought very carefully about the additional comments Mr P has made and I acknowledge the personal and financial impact of having his van seized by the police. Overall though, I'm still of the conclusion that the van wasn't seized because of an error made by Santander.

In all the circumstances, I think it was the incorrect email address held by the insurer that meant Mr P wasn't informed of their decision to cancel his insurance policy. I also think that since learning the outcome of the court action taken against Mr P, Santander have taken reasonable steps to allow Mr P to collect the van, or have access to it.

So, I don't require Santander to take any further action beyond what they've already put in place for Mr P.

My final decision

My final decision is that I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 29 August 2025.

Sam Wedderburn
Ombudsman