

The complaint

Mr B complains that LeasePlan UK Limited (LeasePlan) didn't fairly compensate him when his van was clamped due to having no tax.

What happened

Mr B entered into a hire agreement with LeasePlan in May 2023 for the hire of a van to be used for his job as a self-employed courier.

In September 2024 the van was clamped and seized whilst Mr B was working as it hadn't been taxed. Mr B said the incident happened in front of regular clients, causing him reputational damage. He had to arrange to get home without the van and was without transport for three days whilst a replacement van was arranged to keep him mobile.

Mr B said the original van was returned to him in December 2024, and his personal belongings were missing.

LeasePlan sent Mr B their final response to his complaint in January 2025. They apologised for the loss of use of the vehicle and the loss of Mr B's personal belongings. They offered to refund one month's rental at £247.12.

Unhappy with this, Mr B brought his complaint to this service for investigation. He said the offer of one month's rental didn't fairly compensate him for the loss of income, loss of belongings and distress and inconvenience caused.

Our investigator gave their view that LeasePlan had accepted the error in the tax being paid, but they didn't think they'd done enough to put things right. They asked LeasePlan to pay Mr B a further £300 on top of the £247.12 to cover his lost earnings and distress and inconvenience.

Mr B didn't agree. He said this didn't fairly reflect what had happened.

As an agreement can't be reached, the case has been passed to me for a 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.

The hire agreement that Mr B entered with LeasePlan sets out in the terms and conditions that LeasePlan will arrange for the provision of the road fund licence. LeasePlan have accepted their error in the tax on Mr B's van not being up to date, and so I've considered whether they've done enough to put things right.

Mr B has said he had around £300 of personal belongings in the van that weren't returned to him when the van was. I've seen evidence that LeasePlan have tried to locate Mr B's belongings, but they haven't been able to do so.

It appears that Mr B's van was stored for some time in different locations and I've seen evidence of some belongings in the van when it was recovered from the impound by LeasePlan. On balance, I'm persuaded that Mr B's belongings are more likely to have been lost whilst the van was stored on behalf of LeasePlan.

Mr B hasn't been able to provide evidence of the purchase of the items, and I haven't seen any evidence of their replacement cost. But I'm satisfied that there were some of Mr B's belongings in the van, that haven't been returned to him.

Mr B said he lost out on three days of work before LeasePlan provided him with a different van to keep him mobile.

Mr B's earnings depend on the parcels that he delivers, and so I can't say with certainty that he'd have earned a set amount of money over these three days if he'd had access to a van. There are any number of things that could've occurred that might have prevented Mr B from working on any given day, and so I'm not persuaded that Mr B would have always earned an average wage each day, but for the error by LeasePlan in not taxing the vehicle.

Having said that, Mr B has been put to distress and inconvenience by LeasePlan's error in not taxing the vehicle. LeasePlan offered Mr B £247.12, and our investigator recommended they pay an additional £300, making a total of £547.12 compensation for Mr B's lost earnings, personal belongings, and the distress and inconvenience caused.

Mr B had to arrange to get home by other means, he suffered distress in the event happening in front of regular clients, Mr B has had to spend time trying to locate his belongings and may now need to replace them. He's also been put to inconvenience in having no van for three days whilst LeasePlan arranged a replacement. He was unable to take any work during this time when he might otherwise have been able to continue his courier services, and so he has likely lost some earnings as a result. All things considered, I think £547.12 fairly reflects the distress and inconvenience caused to Mr B.

My final decision

My final decision is that I uphold this complaint, and LeasePlan UK Limited must pay Mr B a total of £547.12. compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 November 2025.

Zoe Merriman
Ombudsman