

## **The complaint**

Mr J complains that a static caravan that was supplied to him under a conditional sale agreement with Santander Consumer (UK) plc, trading as Santander Consumer Finance, wasn't of satisfactory quality.

## **What happened**

A used static caravan was supplied to Mr J under a conditional sale agreement with Santander Consumer Finance that was dated in May 2024. The price of the static caravan was £49,495, Mr J made an advance payment of £5,500 and he agreed to make 120 monthly payments of £568.74 to Santander Consumer Finance. The static caravan was supplied to Mr J after he'd been given a video tour of it but he says that when he went to the caravan its condition was much worse than shown in the video.

Mr J complained to Santander Consumer Finance in June 2024 about issues with the static caravan. It upheld his complaint but said that it was going to allow the resort company the opportunity to rectify the issues. It made a compensation payment of £300 to Mr J for the distress and inconvenience caused and paid him compensation of £1,137.60 for the time that he was without the unit.

Mr J wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't think that Santander Consumer Finance had acted fairly. She believed that Mr J had the right to reject the caravan which still wasn't fit for its intended purpose. She recommended that Santander Consumer Finance should: unwind the agreement; refund to Mr J all of the monthly payments, the deposit and site fees of £4,390.28, all with interest; and pay him £500 compensation for the stress and inconvenience caused.

Santander Consumer Finance didn't accept the investigator's recommendation and has asked for this complaint to be referred to an ombudsman. It says Mr J was supplied with a new fridge freezer in August 2024 and that ending the agreement because of issues with the freezer isn't proportionate and no fault was found with the shower tray. It has provided a letter from the resort company and the resort company says that it has refunded £2,000 to Mr J.

The investigator then said that the refund of £1,137 for loss of use would need to be factored into the refund of the monthly payments, the refund of £2,000 from the resort company would need to be considered and taken off the refund of the site fees by Santander Consumer Finance and the £500 compensation was meant to refer to a total amount, so she was recommending an extra £200 compensation in addition to what Santander Consumer Finance had already paid.

## **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.

Santander Consumer Finance, as the supplier of the static caravan, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr J. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age of the static caravan and the price that was paid for it. The static caravan that was supplied to Mr J was about three years old and it had a price of £49,495.

The conditional sale agreement is dated 30 May 2024 and Santander Consumer Finance says that Mr J logged a formal complaint with it on 18 June 2024 in relation to faults with the static caravan. Mr J says that he told Santander Consumer Finance and the resort company on the day of first arrival that he wasn't happy with the static caravan and wanted to return it. He says that issues included dirty inside, mould, urine stains, toilet stains on the walls, the taps wouldn't turn correctly, sewage issues, drains, the sink filling up when the toilet was flushed, holes in doors, handles falling off doors, a broken fridge and freezer, a horrendous smell in the bedrooms, stained carpets, rusty tower rails, a loose and cracking shower tray, fat running down the cooker, and a stained fire place. Mr J says that he was apologised to for the issues but was told that he couldn't return the caravan as he had to allow the resort company time to rectify the issues.

Santander Consumer Finance said in its final response letter to Mr J that was sent to him in August 2024 that he was: "... experiencing multiple issues with your caravan such as: Internal door; Shower tray; Fridge/Freezer". It also said: "After review and considering the unit was sold as used, we are going to allow [the resort company] opportunity to rectify the issues. The [resort company] has confirmed all issues are due to be rectified. The internal door has been ordered; shower tray has been booked with the contractor and the resort company will arrange maintenance to readjust the fridge/freezer door".

I consider it to be clear that there were issues with the static caravan when it was supplied to Mr J. Mr J says that he told Santander Consumer Finance and the resort company that he wanted to reject the static caravan and I consider it to be more likely than not that he did say that he wasn't happy with the static caravan and wanted to return it.

A consumer has the short-term right to reject goods under the Consumer Rights Act 2015 and the time limit for exercising that right is the end of 30 days after the goods are supplied. I consider that Mr J had the short term right to reject the static caravan because of the issues with it and that he exercised his right to do so within 30 days of it being supplied to him. I consider that Santander Consumer Finance should have accepted his rejection of the static caravan on 18 June 2024 when he complained to it about the issues. I find that it would now be fair and reasonable for Santander Consumer Finance to allow Mr J to reject the static caravan and to take the actions described below.

### **Putting things right**

I find that it would be fair and reasonable for Santander Consumer Finance to end the conditional sale agreement at no further cost to Mr J. The conditional sale agreement shows that Mr J made an advance payment of £5,500 for the static caravan. I find that it would be fair and reasonable for Santander Consumer Finance to refund the advance payment made by Mr J to him, with interest.

As I consider that Santander Consumer Finance should have accepted Mr J's rejection of the static caravan in June 2024, I don't consider that it's fair or reasonable for it to have charged him for any monthly payments under the conditional sale agreement. Santander Consumer Finance has paid Mr J compensation of £1,137.60 for the time that he was without the unit. I find that it would be fair and reasonable for Santander Consumer Finance to refund to Mr J all of the monthly payments that he's made under the conditional sale agreement, with interest, but that it should deduct the compensation of £1,137.60 from the

amount to be refunded.

The investigator recommended that Santander Consumer Finance should also refund to Mr J £4,390.28 for the site fees, with interest. The resort company has provided evidence to show that it credited £2,000 to Mr J's account and it described other actions that it had taken, including waiving charges, free party tickets, and £200 of vouchers to be used in its venues. Mr J says that the site fees were £6,390.28 and that the resort company took £2,000 off that amount so he paid £4,390.28 for site fees. I find that it would be fair and reasonable for Santander Consumer Finance to reimburse Mr J for the £4,390.28 that he paid for site fees, with interest.

These events have clearly caused distress and inconvenience for Mr J. The investigator said that the stress and inconvenience caused includes all the trips that Mr J had to make to deal with the repairs, loss of enjoyment from the static caravan, family holidays which haven't been able to take place and chasing the site manager and Santander Consumer Finance and not getting any responses. She recommended that Santander Consumer Finance should pay Mr J £500 for that stress and inconvenience. Santander Consumer Finance has made a compensation payment of £300 to Mr J for the distress and inconvenience caused and I consider that that payment should be deducted from the compensation recommended by the investigator. I find that it would be fair and reasonable for Santander Consumer Finance to pay a further £200 to Mr J to compensate him for the distress and inconvenience that he's been caused.

### **My final decision**

My decision is that I uphold Mr J's complaint and I order Santander Consumer (UK) plc, trading as Santander Consumer Finance, to:

1. End the conditional sale agreement at no further cost to Mr J.
2. Refund to Mr J the advance payment that he paid for the static caravan.
3. Refund to Mr J the monthly payments that he's made under the agreement, less the compensation of £1,137.60 that it has already paid to him.
4. Reimburse Mr J for the site fees that he's paid to the resort company.
5. Pay interest on the amounts at 2, 3 and 4 above at an annual rate of 8% simple from the date of each payment to the date of settlement.
6. Pay a further £200 to Mr J to compensate him for the distress and inconvenience that he's been caused.

HM Revenue & Customs requires Santander Consumer Finance to deduct tax from the interest payment referred to above. Santander Consumer Finance must give Mr J a certificate showing how much tax it's deducted if he asks it for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 October 2025.

Jarrold Hastings  
**Ombudsman**