

The complaint

Mr A has complained about the way Tandem Bank Limited responded to claims he'd made under the Consumer Credit Act 1974 (the "CCA").

Mr A has been represented in bringing the complaint but, to keep things simple, I'll refer to Mr A throughout.

What happened

In October 2021 Mr A entered into a fixed sum loan agreement with Tandem to pay for a solar panel system and battery storage ("the system") for £11,500 from a supplier I'll call "S". The agreement was for 120 months. Mr A paid a £100 deposit and was due to pay 120 instalments of around £135. The total amount payable under the agreement was around £16,400.

I understand Mr A put in a claim with Tandem in February 2025 broadly saying:

- He was approached by S and sold the system as being self-funding.
- This was misleading as the total generated was less than what was presented.
- The paperwork showed an annual generation of 4,292kWh and average return on investment of 12.82% but this was based on a cash purchase and not an interest bearing loan purchase, so it was misleading.
- Mr A wasn't adequately informed of the risks.
- The savings Mr A could make were limited.
- There was an unfair relationship.
- Any commission paid would have contributed to the unfairness.

Tandem spoke to S and responded to the claim. Tandem said S had confirmed its representative carried out a survey for Mr A and presented the savings and benefits of the system, along with the cost. It said the quotation allowed Mr A to make an informed choice. Tandem also said that returns expected were detailed within the contract and that it said savings and benefits were estimated and couldn't be guaranteed. Tandem said the system was performing as expected and while S had found a fault with the inverter in April 2025, that had been rectified. S said its representative didn't take any unfair advantage or pressure Mr A during the sales process and that he was given ample time to review the documents before proceeding.

Overall, Tandem couldn't find evidence Mr A had been misinformed. It said no commission had been paid and there was no evidence of an unfair relationship.

Mr A didn't agree and referred his complaint to the Financial Ombudsman. One of our investigators looked into things and thought Tandem's answer was broadly fair so she didn't make any recommendations.

Mr A didn't agree. He said he acknowledged the paperwork had small-print caveats, but the salesperson knew he was not making a cash purchase and so the information provided was misleading. He said the sale created the impression of a stable and secure income stream,

but this wasn't the case. Mr A also said the complaint concerns how the system was sold and verbally represented, not just what was included in the paperwork. Mr A said the system was presented in such a way to encourage confidence and downplay risk.

The complaint has been passed to me to decide.

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.

I want to acknowledge that whilst I've summarised the events of the complaint, I've reviewed everything on file. If I don't comment on something, it's not because I haven't thought about it. I'm focussing on what I consider are the key issues.

Mr A paid for the system using a fixed sum loan agreement. This is a regulated consumer credit agreement, and our service is able to consider complaints relating to these sorts of agreements.

When considering whether representations and contractual promises by S can be considered under section 140A of the CCA I've looked at the court's approach to s.140A.

In *Scotland & Reast v British Credit Trust [2014] EWCA Civ 790* the Court of Appeal said a court must consider the whole relationship between the creditor and the debtor arising out of the credit agreement and whether it is unfair, including having regard to anything done (or not done) by or on behalf of the creditor before the making of the agreement. A misrepresentation by the creditor or a false or misleading presentation are relevant and important aspects of a transaction.

Section 56 ("s.56") of the CCA has the effect of deeming S to be the agent of Tandem in any antecedent negotiations.

Taking this into account, I consider it would be fair and reasonable in all the circumstances for me to consider as part of the complaint about an alleged unfair relationship those negotiations and arrangements by S for which Tandem was responsible under s.56 when considering whether it is likely Tandem had acted fairly and reasonably towards Mr A.

But in doing so, I should take into account all the circumstances and consider whether a court would likely find the relationship with Tandem was unfair under s.140A.

Mr A said the estimated financial benefits of the system were misrepresented. I've taken account of what Mr A has said and I've looked at the documentation to help me decide what I think is most likely to have happened. I've been supplied several documents by the parties including the fixed sum loan agreement and document titled 'Your Personal Solar Contract'.

The fixed sum loan agreement sets out the amount being borrowed; the interest charged; the total amount payable; the term; and the contractual monthly loan repayments. I think this was set out clearly enough for Mr A to be able to understand what was required to be repaid towards the agreement. It seems that Mr A was engaged with S with regards to the figures because he was communicating with it about the price range, including interest.

The quote is a detailed document that sets out key information about the system, the expected performance of it, as well as the financial benefits and certain technical information. S said this formed a central part of the sales process and that the salesperson would've discussed it in detail with Mr A prior to him agreeing to enter into the contract.

Given the form is signed in various places, on balance I think the salesperson did go through it with Mr A during the meeting.

The quote sets out the estimated income Mr A could expect to receive by way of electricity savings; battery storage and through an energy trading network. It says the energy saving options were made in form of credit paid against the bill. And the savings through the energy trading network may be affected by electricity usage and energy prices and that the figures were estimates and there for illustration.

There's a savings summary in the contract that summarises the average savings and income Mr A could expect. This sets out there's an estimated payback time of 15 years based on a cash purchase.

There is another section titled 'Your Agreement' with tables showing repayments (towards credit agreements) over different terms. The relevant loan term for Mr A is set out in the table highlighted for 120 payments of around £135 (which broadly matches the loan agreement). I think this table shows the annual benefit; estimated monthly return; and monthly repayment difference clearly enough to show the system wouldn't provide enough benefits to make it self-funding.

Given I think the fixed sum loan was clear enough and the quote setting out the estimated financial benefits was signed in various places, on balance, I think it likely S went through it with Mr A as part of the sales process. I don't think Tandem has been shown enough to determine the system was misrepresented. I'm also conscious there was a cooling off period if Mr A wasn't happy with the arrangement after reviewing what he'd been presented against what he said he was told.

With regards to energy trading network going out of business, I can understand why Mr A would have been unhappy about that. He's pointed out he was led to believe it would have led to significant savings. I've already set out above that there were disclaimers around the benefits he could expect, and that there wasn't a guarantee. S has argued it couldn't have predicted the network going out of business. I'm conscious Mr A was transferred over to a large well known energy supplier for the supply of energy. And I understand there's an alternative provider on the market that provides a similar service to the original energy trading network that Mr A may have joined (or could decide to join in the future). This could put Mr A in the same or a similar position he was in before. But even putting that to one side, like our investigator pointed out the information supplied to us and Tandem is very limited. I don't think Tandem was able to reach firm conclusions on what, if anything, Mr A lost out on as a result of any perceived failings from S.

Based on the meter reading supplied by Mr A, I think the system seems to be performing broadly as expected. While I appreciate S said it carried out some sort of repair, I don't think Tandem has seen enough to show there was a problem with the system that has led to a loss for Mr A that Tandem would be liable for either.

I haven't seen anything to suggest that section 75 of the CCA or anything else would, given the facts of this complaint, lead to a different outcome here. I've not seen commission was paid. Therefore, while I'm sorry to hear Mr A is unhappy, I don't find I have the grounds to direct Tandem to take any other action.

My final decision

My final decision is that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or

reject my decision before 11 March 2026.

Simon Wingfield
Ombudsman