

complaint

Mr L complains that Hitachi Capital (UK) Plc has refused to cancel his contract with it and remove the solar panels he had installed.

our initial conclusions

Our adjudicator didn't uphold the part of Mr L's complaint about being told that the solar panels would be self-funding. But he did think that it was fair and reasonable that Hitachi should refund Mr L for the late registration for the feed-in tariff (FIT) payments. He worked out that Mr L had lost out on £690 because of this. He asked Hitachi to refund this.

It agreed and said it could either take this £690 off the money owed under the agreement it has with Mr L or it could send him a cheque.

Mr L rejected this recommendation. Instead he reiterated his original point that it wasn't fair to hold him to a contract that he'd only entered into because he was given incorrect information.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've finished my review of Mr L's complaint. I realise that Mr L wants to cancel the contract but I think the offer he has had from Hitachi is fair and reasonable. It follows I don't think it'd be correct to ask it to do anything further. I explain why I've come to this conclusion below.

Mr L and Hitachi don't agree about what happened when Mr L bought the solar panels

Mr L relies on Section 75 of the Consumer Credit Act 1974. It says that Hitachi is equally liable with the supplier, "A" a limited company if it misrepresented the contract. So if I thought that Mr L had been given incorrect information as he suggests I'd say it was fair and reasonable taking into account Section 75 to ask Hitachi to rip up the contract and give him all his money back. So I've take a look to see what I think happened here. This is not straightforward as Mr L and Hitachi each have their own different versions of the same event. I've got to decide which in the circumstances the most likely version is.

Mr L says A told him two things that made him buy the solar panels from it. He says he was told the solar panel system would be self-funding and that it would register his details with his energy supplier so he'd get his FIT payments.

Hitachi's position appears to be that he wasn't promised either of these things.

it's unlikely Mr L was told the solar panels would pay for themselves

Mr L made the contract with A in the comfort of his own home. So I think he had the opportunity to have a good read of all the contractual documents and to ask the sales person all about the contract and what he was signing up for.

I realise that Mr L and his witness say that he was told the solar panels would be self-funding. But the contractual documents are clear and short. And they show that all figures for savings and the income that might be generated were estimates. And it was also

clear that these would not cover the loan repayments. So if the written documents were not in line with what he had just been told I'd reasonably have expected Mr L to have noticed this and asked the salesman all about this at the time. But it doesn't appear that he did.

For all of these reasons I don't think it's more likely than not that he was told at the time that the solar panels would be self-funding.

why I think the offer Hitachi has made is fair and reasonable

A says that Mr L was responsible for registering himself for the FIT payments. But it also says it would've helped him do this. Hitachi does appear to accept that Mr L lost out because he wasn't registered for the FIT payments as early as he could've been regardless of who was at fault here. And it has agreed to cover the loss he made £690. I think this is fair and reasonable because in the circumstances it's really not clear to me that A was at fault here. As it seems it was the normal process for the customer not the supplier to register for FIT payments. The text message chain Mr L is relying on doesn't show that the ex-employee of A, who I'll "Mr P", accepted that he should have made the registration. All they show is that he was prepared to help which fits with what A says.

I think I have no proper basis to ask Hitachi to return Mr L's money and take away the solar panels. So I'm sorry to disappoint Mr L but I can't fairly ask Hitachi to do anything more than it has already offered to do.

my final decision

My final decision is that Hitachi Capital (UK) Plc should pay Mr L £690 as it has already agreed it will do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 8 August 2016.

Joyce Gordon
ombudsman