

The complaint

Mr B complains about the treatment of him by Volkswagen Financial Services (UK) Limited trading as Audi Financial Services ("VWFS") in respect of a hire agreement he had with it.

Reference to VWFS in this decision also includes its agents.

What happened

In September 2017 Mr B entered into a hire agreement with VWFS paying an advance rental of £525. Under the terms of the hire agreement Mr B undertook to pay (in addition to the advance rental) a further 23 monthly rentals of £262.50 with the first being payable on 12 October 2017 and the last on 12 August 2019. The hire agreement was scheduled to end on 11 September 2019.

Between 8 July and 5 August 2019 Mr B received the following SMS message on 11 separate occasions:

"Dear Customer, we have received a logistics request from VWFS for your vehicle. Please use the following link to book your appointment, using agreement No. [number] : [link], alternatively [we] will be in contact with you in due course."

On receiving the 11th SMS message on 5 August 2019 Mr B booked an appointment and received, on 9 August 2019, the following SMS message:

"Dear Customer, Thank you for booking in the inspection and Collection of your vehicle with us. The confirmed date of your appointment is 13 August 2019 for registration [xxxxxxx]. Please ensure that the car is clean, in a roadworthy condition with a valid MOT (if applicable) and available to be..."

As the car was collected on 13 August 2019 Mr B had paid the 23rd monthly instalment under the hire agreement on 12 August 2019 of £262.50.

On 14 August 2019 Mr B contacted VWFS for a refund of his 12 August 2019 payment.

VWFS declined to refund the sum Mr B was looking for saying he had simply returned the car rather than requesting early termination of the hire agreement. But as a gesture of goodwill it went on to say that it was prepared to treat the hire agreement as being early terminated and as such it was prepared to offer a refund £118.10 (45% x £262.50).

Mr B was unhappy with VWFS' offer. He said that as well as expecting a full refund of his 12 August 2019 payment of £262.50 he was also looking for VWFS to compensate him for having travelled substantially less than the contracted mileage of 10,000 a year plus £157.80 in other costs.

As Mr B didn't accept VWFS' offer of a £118.10 refund, it was withdrawn.

Mr B's complaint was considered by one of our investigators who concluded that VWFS had done nothing wrong and it need not pay Mr B anything by way of compensation.

Mr B didn't agree with the investigator's conclusion. He said given the number of SMS messages he had received he felt bullied into returning the car when he did, approximately one month early. He also felt that consumers should benefit from a refund when they return vehicles with a mileage substantially less than that contracted for.

Because Mr B didn't agree with the investigator's conclusion his complaint has been passed to me for review and 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. However, having done so, I can confirm that I've come to the same conclusion as our investigator and for the same reasons.

It's clear Mr B has very strong feelings about this complaint. He has provided detailed submissions in support of his view which I can confirm I've read and considered in their entirety. However, I trust that Mr B will not take the fact that my findings focus on what I consider to be the central issues, and that they are expressed in considerably less detail, as a discourtesy. The purpose of my decision isn't to address every point raised. The purpose of my decision is to set out my conclusions and reasons for reaching them.

Mr B says he felt bullied into returning the car when he did, this being approximately one month earlier than he was contractually obliged to do. But I disagree.

I accept that Mr B received a number of SMS messages from VWFS. But given these were all identical in their content it's my view that the second and subsequent messages were simply sent as reminders and because Mr B hadn't responded to, or acted, on the first message sent. I've also seen nothing in these messages that could, in my view, be construed as bullying behaviour or harassment.

Now I don't know for certain what Mr B was presented with when booking the appointment for the inspection and return of the car. But it's my understanding, based on what both parties have said and submitted, that Mr B was presented with a number of dates for selection and it was his decision to select the date that he did. Furthermore, if a date on or around 11 September 2019 wasn't available for Mr B to select, I might have expected him to have raised concerns about this fact at the time, or later as part of his complaint to VWFS and then our service, but he didn't do so.

Put another way, I think that on the balance of probabilities Mr B selected the appointment date that he did because it was convenient for him. And that he did so in the full knowledge that he was returning the car earlier than was required and that he would be paying, and would be required to pay in full, the last month's hire charge.

I understand Mr B's point that a consumer who returns a car on hire that has travelled more than the contractual mileage is liable to pay an excess mileage charge, but no refund is payable when a car is returned which has travelled less than the contractual mileage.

But I'm not persuaded that it would be fair or reasonable, in the particular circumstances of this case, for me to direct VWFS to make a payment to Mr B in this respect particularly given

that Mr B, as I understand it, was aware this was the case when he entered into his hire contract.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 March 2020.

Peter Cook
Ombudsman