

## **The complaint**

Mr S complains that Vauxhall Finance plc unfairly charged him for damage to a car when he returned it under a conditional sale agreement.

## **What happened**

In December 2018 Mr S entered into a five-year conditional sale agreement with Vauxhall. The car was five years old and had a cash price of just under £9,700.

Mr S decided in or around August 2021 that he wanted to end the agreement and return the car – as he was entitled to do. By that point, the car's odometer had a reading of over 72,000 miles.

Vauxhall arranged for an inspection of the car. The inspection report identified 26 areas of damage. None was, of itself, particularly significant, but together the charges connected with them amounted to more than £1,700, which Vauxhall said Mr S was obliged to pay. Mr S challenged the charges, saying he thought they were unreasonable and that a charge of £300 would be fair.

Vauxhall reviewed the damage report and agreed to remove some of the charges, reducing the sum it sought from Mr S to £1,317. Mr S remained unhappy, however, and referred the matter to this service, where one of our investigators considered what had happened. Having done so, he identified two further areas which he thought should not have incurred a charge and recommended that they be removed. Vauxhall accepted the investigator's preliminary assessment and agreed to reduce the charges by a further £85. Mr S did not accept the assessment, however, and asked that an ombudsman review the case.

## **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 conditional sale agreement required Mr S to keep the car in good condition. If he did not do so, Vauxhall could look to him to meet its reasonable costs incurred as a result. Specifically, the car had to be "... *free from mechanical or body damage; in its original paintwork and trim and with its interior matching the original specification free from damage, all subject to fair wear and tear appropriate to the age and mileage of the Vehicle*".

Vauxhall said that, in assessing damage, it followed guidelines published by the British Vehicle Rental and Leasing Association (BVRLA). Those guidelines seek to set out damage that is acceptable and that which is not, to a large extent by reference to, for example, length and depth of scratches and diameter of dents.

Vauxhall also said what it regarded as acceptable. The investigator noted that some of those standards were more stringent than those in the BVRLA guidelines. That is, they held the customer to a higher standard. He noted that two areas of damage were within the degree

permitted under the guidelines but arguably outside Vauxhall's own guidelines. That is why he recommended a small reduction in the charges.

The most accurate and fairest way to assess damage of this type is of course by way of direct inspection. That option is not however open to me, and so I have had to rely on the descriptions and photographs in the inspection report. Having considered them very carefully, however, I am satisfied that, with the exception of the items identified by the investigator, they do show the damage which led to charges.

Mr S has said that the onus is on Vauxhall to prove that the damage was caused while the car was in his possession. He says too that the BVRLA standards are too stringent for a car of this age. I am not bound by the same rules of evidence as a court, but I have considered the evidence carefully before deciding what I consider to be more likely. Having done so, I am satisfied that the inspection report properly reflects the car's condition on return. I believe that it is reasonable to approach this complaint on the basis that the car met the BVRLA standards or higher when Mr S entered into the agreement. And I note that he has not made a positive case that there was any damage when he took the car or identified any. So, I think it more likely than not that the damage – which, as I have said, comprised a number of fairly minor matters – occurred while the car was in Mr S's possession.

### **Putting things right**

Vauxhall has already indicated that it accepts the investigator's conclusions. I will however make a formal award, so that Mr S can enforce it, should that be necessary.

### **My final decision**

My final decision is that, to resolve Mr S's complaint in full, Vauxhall Finance plc should remove charges totalling £85 in respect of the car's offside rear wheel and nearside sill.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 May 2022.

Mike Ingram

**Ombudsman**