

## The complaint

Ms H is unhappy with the end of lease charges applied under a car hire agreement provided by Volvo Car UK Limited (Volvo).

When I refer to what Ms H has said and what Volvo has said, it should also be taken to include things said on their behalf.

## What happened

In February 2022, Ms H entered into a hire agreement with Volvo for the supply of a new car. The agreement was to run for a maximum term of 60 months, with monthly rental payments of £1,299 and no advance payment. The agreement ended in January 2024 when the car was collected and inspected.

Ms H received an invoice totalling £9,605.05 for the damage Volvo considered to be outside fair wear and tear. She didn't think the charges were fair, so she complained to Volvo. In June 2024, Volvo issued a final response to her complaint in which it agreed that some of the charges seemed inappropriate. Therefore, Volvo partially upheld Ms H's complaint, removed some of the charges, and offered £50 as a gesture of goodwill for the inconvenience caused. A week later, Volvo added to its response that further charges had been removed because the inspection evidence didn't support them.

Volvo's final position was that, *"only the charge/s imposed in respect of [four alloy wheels] can be supported and accordingly, these are the only charges we will stand by"*.

When Ms H brought her complaint to us, our investigator didn't think Volvo had treated her fairly. He said that although Volvo's photos showed scuffs on the alloy wheels, it hadn't included a measuring tool to evidence the size of the scuffs. For that reason, he didn't think Volvo could reasonably charge for damage which it hadn't demonstrated was outside fair wear and tear. To put things right, our investigator thought Volvo should remove all charges resulting from the end of lease inspection, refund any that Ms H had already paid, pay 8% interest on the refunded amounts, pay £150 compensation, and remove adverse information from Ms H's credit file in relation to the charges.

Volvo didn't agree. It accepted that there wasn't a measuring tool to show the size of the scuffs. However, it provided a photo of another car, as an example, where the tool was present to show that the scuffs exceeded fair wear and tear. Further Volvo pointed out that our investigator had also identified that any damage to the alloys was not considered fair wear and tear. Volvo asked for an ombudsman's decision.

I issued a provisional decision in March 2025 explaining that I was intending to uphold Ms H's complaint. Here's what I said:

### *provisional findings*

*If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've*

*reached my view on the balance of probabilities – what I think is most likely given the available evidence and wider circumstances.*

*The British Vehicle Rental and Leasing Association (BVRLA) provides guidance to help determine what damage can be considered fair wear and tear at the end of a lease agreement. I've relied on this guidance in reaching my provisional decision.*

*Both Ms H and Volvo are familiar with the details of this complaint. As Volvo has already agreed that the inspection report doesn't support the charges for any other damage - and it has removed those charges - I'll focus only on the charges for the alloy wheels.*

*I think the following BVRLA guidance is relevant here:*

*Wheels and wheel trims*

*Dents on wheel rims and wheel trims are not acceptable.*

*Scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable.*

*Any damage to the wheel spokes, wheel fascia, or hub of the wheel/alloy is not acceptable. There must be no rust or corrosion on the alloy wheels/wheel hubs.*

*I've looked at the photos of each of the four wheels and it's clear that there are scuffs on each alloy. It's also clear that a measuring tool hasn't been used to provide any context of size. Ordinarily I'd expect to see a photo with the measuring tool to prove the size of the scuff. Without it, it's difficult to determine exactly how much of the alloy wheel is damaged. And, in turn, it's difficult to say whether any scuffs exceed fair wear and tear.*

*At first glance, the scuffs seem to be large and significantly above what might reasonably be expected as fair wear and tear. The photos show only part of each wheel so, for context, I've compared them to the full wheels shown on the photo of the car. The wheels have 20 spokes. The scuffs on the wheel rim extend between at least three spokes and upwards of five spokes. This indicates to me that the scuffs are around a quarter of the alloy circumference.*

*I looked at the wheel specification for the model of car Ms H had. The centre bore – the centre of the wheel which bears the make of the car – is a little over 60mm across. The photos show that the scuffs on each of the wheels significantly exceeds the width of the centre bore.*

*Looking back at the BVRLA guidance, "scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable". I think it's evident from the photos that the scuffs far exceed 50mm.*

*I've also noted that the photo of the left rear wheel shows scuffs extending from the rim onto the spokes. Turning to the BVRLA guidance again, it says, "any damage to the wheel spokes, wheel fascia, or hub of the wheel/alloy is not acceptable". Although it's not completely clear from the photos, at least one of the alloy wheels seems to be scratched rather than scuffed. The BVRLA defines these as follows:*

*Scratch - A mark or score with raised edges in the surface material glass or paintwork.*

*Scuff - Light scraping of top surface not penetrating base material.*

*Regardless of whether the damage on that wheel extends to being a scratch rather than a scuff, I think the evidence overall shows that the damage to the four wheels exceeds fair wear and tear as set out by the BVRLA guidance.*

*As I've said, ordinarily I'd expect to see evidence of the size of the damage displayed in the photo. But I must be fair to both sides and it's evident that the scuffs exceed fair wear and tear. To treat both sides fairly, I've taken into consideration all available evidence. On this occasion, the evidence persuades me that the measuring tool was not necessary for me to reach a fair and reasonable decision.*

*So, I think Volvo has reasonably maintained the charges for damage to the four alloy wheels, and I'm not intending to require it to remove those charges.*

*Thinking about the overall circumstances, I can see why Ms H would've been upset to receive an invoice for the other damage which hadn't been evidenced. While Volvo removed those charges, I appreciate that it would've caused significant inconvenience and distress for Ms H. Volvo offered £50 compensation in acknowledgement of that. However, I'm minded to require Volvo to pay £150 compensation as proposed by our investigator in addition to the £50 it had already offered.*

*It's not clear from the evidence whether Ms H has paid towards any of the charges. If she has, and if those payments exceed the charges payable, Volvo should refund the payments and pay 8% simple interest per year from the date Ms H paid to the date Volvo issues the refund.*

*I understand Ms H is concerned that her credit file has been adversely affected by Volvo's charges. Given that the majority of the charges were removed due to lack of evidence, and the remaining charges were in dispute, I think it's reasonable for Volvo to ensure that any information it has provided for Ms H's credit file accurately reflects the amended status of her account.*

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

### Responses

- Volvo accepted my provisional decision.
- Ms H didn't respond.

### **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.

As Ms H hasn't responded, and I'd explained that I intended to uphold her complaint, I'm taking her lack of response to mean she doesn't object to my provisional decision. Volvo accepted my provisional decision and the actions I'd intended to require of it.

Therefore, I see no reason to change my provisional decision, which now becomes my final decision.

### **My final decision**

For the reasons I've explained above, and in my provisional decision, my final decision is that I uphold Ms H's complaint and Volvo Car UK Limited must:

- refund payments for the end of lease damage which exceed the charges for the four alloy wheels, if any;
- pay 8% simple yearly interest on the refunds, calculated from the date Ms H made the payment to the date of the refund<sup>†</sup>;
- pay Ms H an additional £150 to compensate her for the distress and inconvenience caused when she received an invoice charging for unevidenced damage, and
- ensure, and amend if necessary, any information it has provided for Ms H's credit file accurately reflects the true status of her account.

<sup>†</sup>If Volvo considers that tax should be deducted from the interest element of my award, it should provide Ms H with a certificate showing how much it has taken off so she can reclaim that amount, if she is eligible to do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 5 May 2025.

Debra Vaughan  
**Ombudsman**