

## The complaint

Mr L has complained that Hyundai Capital UK Limited paid a parking fine on his behalf, then passed the cost and an admin fee on to him.

## What happened

Mr L has a car hire agreement with Hyundai. It received a parking fine in respect of the car, which it paid, without informing Mr L about it. It then sought to be reimbursed for this, along with an admin fee. Mr L feels this is unfair, as it means his right to appeal the fine has been taken away. He feels Hyundai should have notified him about the fine first.

Since Mr L brought his complaint to our service, the same issue has arisen again, so there are two sets of parking fines and fees.

Mr L feels that Hyundai has behaved contrary to the legal principles of fairness.

One of our investigators looked into what had happened. He could see that the terms of Mr L's hire agreement state he must:

*"promptly reimburse us for all parking fines and other related fixed penalties or charges that we have paid in relation to the vehicle. You will also pay us such sums as we consider reasonable to cover our administration costs connected with these payments. Our costs will be at least £30".*

So, our investigator was satisfied that Hyundai had been entitled to pass on the charges, plus admin fees, to Mr L.

He then thought about whether it was fair that in paying the fines, it meant Mr L couldn't appeal them. But he thought it was, as the agreement was clear, and Mr L had signed it. There was nothing to say Hyundai needed to contact Mr L first. And he didn't think our service could make a finding on the fairness of the contract term.

Mr L disagreed. He feels the term is unfair, and our service is able to consider the law. And that, it's contrary to a general principle of treating customers fairly.

## 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.

Having done so, I'm not upholding it. I know this will be disappointing, but I'll explain why.

The terms and conditions of Mr L's contract are clear, in allowing Hyundai to pass on parking fines it has paid, along with an admin fee. There is no requirement for Mr L to be contacted before Hyundai pays any parking fines. Mr L has referred to a term of the contract, saying he must pay charges on time. He feels this implies he needs to know about them before Hyundai pays them. But this term relates to charges such as tolls and the congestion charge. A separate clause discusses parking fines, so I don't think this applies here.

Mr L is correct in saying our service can – and indeed should - consider the law (although we cannot say what a court would find). But I don't think it's inherently unfair for Hyundai to pay parking fines without consulting the hirer. This is a standard term in hire contracts, and is there, presumably, because the hire company is the owner of the vehicle, so the fine is ultimately its responsibility. I don't think it's unfair for it to pay fines that are issued, so as not to end up involved in potentially protracted and costly disputes. And I don't think it's unreasonable for it to require a consumer to indemnify it for parking fines and admin fees – which have been made clear upfront.

So, I don't think Lex has behaved unfairly.

### **My final decision**

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 July 2025.

Elspeth Wood  
**Ombudsman**