

The complaint

Mr A complains about charges he has been asked to pay by Volkswagen Financial Services (UK) Limited ('VWFS') since he returned a car he was financing through an agreement with them.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A took receipt of a new car in December 2020. He financed the deal through a hire agreement with VWFS.

The car was inspected and collected at the end of the lease and VWFS sent Mr A a bill for £880 to pay for the refurbishment of damage, they subsequently reduced that bill to £430 in respect of damage to four different areas. Mr A was unhappy as he said the inspector had told him the car was in good condition and there wouldn't be any charges to pay.

When he was dissatisfied with VWFS's response he referred his complaint to this service. Our investigator didn't think the charges were unfair, but Mr A continued to dispute them. He said he'd been asked to sign a blank box by the inspector to say he was happy for them to take the car away and that if he'd been shown a list of the issues he would have disputed them there and then. He didn't feel VWFS had followed the correct procedure, and he asked for a decision by an ombudsman.

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.

I know it will disappoint Mr A, but I agree with our investigator's opinion of this complaint and for broadly the same reasons. I'll explain why.

The Financial Ombudsman is designed to be a quick and informal alternative to the courts. Given that, my role as an ombudsman is not to address every single point that has been made. Instead, it is to decide what is fair and reasonable given the circumstances of this complaint. And for that reason, I am only going to refer to what I think are the most salient points. But I have read all of the submissions from both sides in full, and I keep in mind all of the points that have been made when I set out my decision.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I must make my decision on the balance of probabilities – that is, based on what I consider to be more likely than not to have happened, in the light of the available evidence and the wider surrounding circumstances.

I'm required to take into account the relevant, laws and regulations, regulators rules, guidance, and standards; codes of practice and, when appropriate, what I consider to have

been good industry practice at the relevant time.

Mr A acquired his car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The end of lease inspection was carried out by a third party on behalf of VWFS. While they advised VWFS about the charges, the final decision about what charges to impose was made by VWFS. I can understand that the inspector's reassurance may have raised expectations with Mr A. Mr A says he would've disputed the charges there and then if he'd been better informed. But given the photographs of the damage that I've seen in the inspection report I don't think that would have made any difference. The damage VWFS are making charges for seems objectively justified and had Mr A wanted to have the car refurbished himself before it was collected he was able to do so.

The terms of the finance agreement explained that Mr A should return the car in a good condition and that he would be charged for any damage that was outside of what could be considered normal wear and tear.

The industry guidelines for what is considered fair wear and tear when vehicles are returned at the end of their lease, is provided by the British Vehicle Rental and Leasing Association (BVRLA).

The BVRLA guidance says:

"Surface scratches of 25mm or less where the primer or bare metal is not showing are acceptable provided they can be polished out. A maximum of four surface scratches on one panel is acceptable."

"Scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable. Dents on wheel rims are not. Any damage to the wheel spokes, wheel fascia, or hub of the wheel is not acceptable."

"Dents of 15mm or less in diameter are acceptable provided there are no more than two per panel and the paint surface is not broken."

I've considered the outstanding charges for damage to the rear bumper, left hand front door, sill and an alloy wheel. I think all the damage is beyond the BVRLA standard. I'm not persuaded that the damage is merely dirt. I can see scratches, scuffing and damage that extends beyond the acceptable standard.

I think the charges VWFS have levied are reasonable in the circumstances and I'm not asking them to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 September 2025.

Phillip McMahon
Ombudsman