

The complaint

Mr B argues that charges applied at the end of his hire agreement with Volkswagen Financial Services (UK) Limited (VWFS) , trading as Skoda Financial Services, were unfair. He would like these waived.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- Mr B originally disputed damage and excess mileage charges. After our investigator issued his view Mr B told us he accepted the excess mileage charge. So, I won't go into that in this decision , instead I will focus on the damage charges.
- Mr B's main point is that in the agreement he signed, clause 9.5 states that the vehicle needs to be returned in good condition, allowing for fair wear and tear based on British Vehicle Rental and Leasing Association (BVRLA) guidelines. However clause 9.6 says if a consumer disputes the provisions under clause 9.5, i.e. there is no damage or the cost of repair is too high ,that VWFS it will refer the matter for a second opinion to a third party. VWFS didn't do this and Mr B thinks it should have done so.
- I have read the above clauses. Its clear Mr B disputes the charges and as I have no evidence that VWFS arranged an independent inspection by another organisation I would agree that it didn't comply with this clause in its agreement
- Like many organisations VWFS assess damage using the industry standard BVRLA guidelines. The charges Mr B disputes relate to a scratched rear bumper, and dents on the left and right hand rear bumper quarter panels. Our investigator gave a detailed breakdown of each issue comparing damage to the specific BVRLA guidelines so I am not going to repeat that here. However I have seen the inspection report and accompanying photos and I agree that the scratches show bare metal and exceed 25mm, the dents show a broken surface and chips within the dents. As these issues fall outside BVRLA guidelines I don't think the charges were unfair so I don't think I can reasonably ask VWFS to waive some or all of these.
- I have considered if Mr B has been disadvantaged by VWFS not following the terms in its agreement but I don't think he has been. Whilst I appreciate it's frustrating for Mr B that VWFS didn't arrange a second inspection the damage is clear from the information I have seen. I am also mindful that the company that inspected Mr B's car were independent albeit commissioned by VWFS. Taking all of the information I have

seen into account I think it's unlikely that a further inspection would have arrived at a different conclusion.

- I have also considered if it's appropriate for Mr B to receive some compensation for VWFS not arranging a further inspection as per its agreement but I don't think it is. We don't award compensation to punish businesses for mistakes we make awards when there has been an impact on the consumer . In this case I have found it unlikely another inspection would have resulted in a different outcome so I don't feel compensation is appropriate.

My final decision

My final decision is that 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 25 November 2025.

Bridget Makins
Ombudsman