

The complaint

Mr R complains about charges Volkswagen Financial Services (UK) Limited (VWFS) trading as Audi Financial Services applied due to the delay in Mr R's car being returned at the end of his contract. He would like these charges waived and compensation for the distress and inconvenience.

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:-

- There is no dispute that Mr R didn't start to arrange for his car to be collected until after his hire period ended, as a result he incurred a charge. I have seen the agreement Mr R signed. This allows for a charge to be made for late return so I don't think VWFS were wrong to charge for this. I've noted that VWFS initially charged Mr R £835.20 reducing this to £500.
- Additionally prior to Mr R's contract ending the collection agents contacted him in February and March 2024. Mr R thinks this was too early but it would at least have been a reminder to him about organizing the return of the car on time.
- Mr R's contract ended on 7 April 2024, he contacted the collection agents on 8 April 2024 and gave 11 and 12 April 2024 as inspection and collection dates. I don't think Mr R could have assumed that the collection agents would necessarily have been able to inspect and collect the car on either of these dates and during the times specified. Also, as he only contacted the collection agents after the hire period ended there was always going to be a charge incurred as per the terms of his agreement.
- Mr R got no response to his email of 7 April 2024 to the collection agents so emailed again on 15 April 2024 but again had no response. I don't think this was acceptable. As I understand it Mr R's next contact was 30 May 2024 some six weeks later. I appreciate he doesn't feel it was his responsibility to chase getting his car collected but ultimately it was. I understand he then responded to a voicemail left on 4 June and then booked the collection for 10 June 2024.
- I think there is fault on both sides here - better communications between VWFS and the collection agents would have helped, and the collection agents should have responded to contact to ensure the car was collected as soon as possible but didn't.

- However Mr R would have been aware of his obligations under his contract to return the car at the end of the hire period so he must have known not attempting to get it collected until after the hire period ended would incur some charge so I don't agree he met his contractual obligations.
- I think VWFS has appropriately reducing, by a significant amount, the amount Mr R owed to reflect the delay in collection was not entirely his fault. I appreciate Mr R feels this amount is arbitrary but it feels fair to me in the circumstances given it's a significant reduction, there is some fault on both sides but the issue arose when Mr R didn't contact the collection agents until after his agreement ended.
- Mr R has requested compensation referring to the amount of time taken both to get the car returned and pursue his complaint with VWFS and us. I think VWFS has reflected its handling of the return could have been better in reducing the sum owing.
- In terms of the time taken to complain it's unfortunate ,but when a consumer isn't happy and puts in a complaint, it can take some time and effort for all parties. However, that doesn't automatically mean that compensation is due. In this case I think the reduction in the charge owing is appropriate redress.

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 R to accept or reject my decision before 18 November 2025.

Bridget Makins
Ombudsman