DRN-5984117

The complaint

Mr I complains about end of contract charges for a car supplied under a hire agreement by Volvo Car UK Limited ("VC").

What happened

Both parties are familiar with the background of this complaint so I will only summarise what happened briefly here.

In November 2023, Mr I entered into a hire agreement with VC to be supplied with a new car. The agreement was for 36 months, with monthly payments of £507.30.

In March 2025 Mr I was changing cars so he arranged for the agreement to be brought to a close. He returned the car to a manufacturer-approved dealership, who inspected it and noticed some damage to a couple of the alloy wheels and a chip on the front bumper.

Approximately two weeks later Mr I received a report and an invoice for damage totalling £1,240, following further inspection of the car by VC's approved collection agency. The report stated the following damage:

-	Front Alloy Wheel R	Gouged	Rim Damage	£65
-	Basic Valet	Soiled	Valet	£50
-	Rear Door R	Scratched	Through Paint	£160
-	Rear Alloy Wheel	Gouged	Spoke Damage	£65
-	Rear Bumper (Un-Painted)	Gouged	Centre Bumper	£65
-	Rear Bumper End Cap R	Scuffed	Corner Bumper	£65
-	Quarter Panel L	Dirt in Paint	Poor Repair	£160
-	Rear Alloy Wheel L	Gouged	Spoke Damage	£65
-	Rear Door L	Dirt in Paint	Poor Repair	£160
-	Front Door L	Dirt in Paint	Poor Repair	£160
-	Front Alloy Wheel L	Gouged	Spoke Damage	£65
-	Front Wing L	Dirt in Paint	Poor Repair	£160

Mr I complained to VC about the charges. They explained that they take consideration from the British Vehicle Rental and Leasing Association ("BVRLA") guidelines that explain what is fair wear and tear and what is considered chargeable damage. They did accept that the damage to the rear right door and gouge in the rear bumper were unsupported by the evidence in the report, and they agreed to waive those charges. They also removed the valet charge – a reduction in total of £275. This reduced Mr I's outstanding amount to £965.

Mr I brought his complaint to our service. He said he accepted the damage to two of the alloy wheels but not the rest being charged for. Our investigator upheld Mr I's complaint. She said that the evidence didn't support the charge for the Front Alloy Wheel R, and she asked VC to remove this charge from Mr I's outstanding amount, reducing it by £65 to £900.

Mr I didn't accept. He said the car had been inspected by the dealership and the damage hadn't been pointed out to him. He also said he'd had two repairs completed on the left side

of the car by a reputable body repair shop but hadn't had any repairs done on the other damaged parts of the car.

As Mr I didn't agree, the complaint has been passed to me to decide.

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.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice.

Both parties have provided a lot of information here. I'd like to reassure them that I've read and considered everything that's been sent, although I haven't commented on it all within this decision. I will be focussing on what I consider to be the key points of this complaint. This is not intended as a discourtesy but reflects the informal nature of this service in resolving disputes.

Where the evidence is incomplete, inconclusive, or contradictory I reach my decision on the balance of probabilities. In other words, what I consider is most likely to have happened in light of the available evidence and wider circumstances.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it.

The agreement states that any damage deemed outside of fair wear and tear when the car is returned is chargeable to Mr I. He signed the agreement agreeing to the terms of it. As a member of the BVRLA, it's reasonable for VC to use the BVRLA guidelines to help determine what constitutes fair wear and tear.

In making my decision I've taken into account industry standards from the BVRLA. Age and mileage are factors which need to be taken into account when considering what would be deemed as fair wear and tear. In this case the car was supplied new and returned after approximately 15 months having covered around 27,450 miles.

Our investigator has said that she doesn't think the evidence supports the charge for the Front Alloy Wheel R and has asked VC to remove that from Mr I's outstanding amount. Having looked at the report, I agree with her so, for completeness my decision is that the charge applied for that should be removed.

However, for the avoidance of doubt, I agree with our investigator's explanation of the BVRLA guidance and her assessment of each of the other charges which she deems are still chargeable. In my opinion, all of the images confirm the damage(s) and as a trained inspector has actually seen the car and verified the items in person, I'm satisfied it's fair to rely on the report as the most persuasive piece of evidence available.

Some of the charges in dispute have been highlighted as poor repair by the inspector. Mr I has said that he had a couple of minor scuffs repaired by a reputable body repair shop, but no other repairs had been completed. I don't dispute what Mr I has said but I'm more persuaded that the inspector, having been trained to BVRLA standards, is able to detect paintwork anomalies and repairs. The BVRLA guidance says: *"Obvious evidence of poor repair, such as flaking paint, preparation marks, paint contamination, rippled finish or poorly matched paint is not acceptable."* Based on the report and photos I'm satisfied it was fair for VC to pass the charges for the bodywork damage onto Mr I.

The industry guidance sets out the process for the inspection assessment. The third party appointed by VC is one that is recognised in the industry to carry out these inspections and document the condition of the car in person, rather than just by assessing photos. Inspections can also be completed after the car has been returned or collected. Once complete, it was for VC to determine the level of charges, in line with the BVRLA guidance, and to provide Mr I with an invoice once it had assessed the independent report.

Mr I has said that it's possible damage could have been caused between him leaving the car at the dealership and it being inspected by the third-party inspection company. However, the mileage reported by the dealership when the car was returned, and the mileage confirmed on the inspection report are almost the same – it's one mile higher on the report – so I'm satisfied it's unlikely any further damage occurred between drop-off by Mr I and the inspection being completed a few days later. Given the car was new when Mr I was supplied with it, he'd had use of it for 15 months and it had covered around 27,450 miles in that time, I'm satisfied it's more likely than not that the damage has been caused during his possession of the car and not after it had been returned by him.

Mr I has also said that the dealership inspected the car when he returned it and didn't highlight any of the subsequent damage areas to him. However, when Mr I returned the car he signed VC's Return Protocol document. This document says:

"Please note, the damages identified in this protocol are indicative only. Any damage charges will be identified by our vehicle return centre in line with the BVRLA Fair Wear & Tear Guide. You will be notified of any costs within 4 weeks (after you return your car). All charges for over-mileage, missing items, unacceptable wear and tear and damages will be charged and settled with the final invoice."

I'm satisfied Mr I was aware that any inspection undertaken by the dealership was only indicative of any charges that might apply for damage outside of fair wear and tear. The document made it clear that the car would be inspected again, more thoroughly, and at that point an accurate assessment of any applicable damage charges would be given. So, it follows that I'm satisfied the charges VC are asking Mr I to pay for, other than the Front Alloy Wheel R charge that I have decided should be removed, are reasonable in the circumstances of this case. I've not seen anything that suggests that the remaining charges are excessive or disproportionate.

I know this decision will come as a disappointment to Mr I. But I've explained why I'm satisfied the remaining charges, other than the Front Alloy Wheel R, are being reasonably charged by VC. However, I remind VC to treat Mr I with forbearance and due consideration if he's in financial difficulties.

I'd like to remind Mr I that he's able to reject this decision if he thinks he can achieve a better outcome by alternative means, such as through the courts.

My final decision

For the reasons above, I uphold this complaint. Volvo Car UK Limited must:

- Remove the charge of £65 for the Front Alloy Wheel R from Mr I's outstanding damage invoice.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 29 December 2025.

Kevin Parmenter
Ombudsman