DRN-6000098

The complaint

Mr R is unhappy with the charges being applied by Arval UK Limited after he returned a car that had been supplied to him under a hire agreement.

What happened

In August 2022, Mr R was supplied with a new car through a hire agreement with Arval. He paid an initial rental payment of £3,448.80, and the agreement was for 36 months, with monthly rental payments of £268.51. The agreement also included a maintenance charge, for which Mr R paid an initial payment of £226.68, followed by monthly payments of £18.89.

At the end of the agreement, Mr R returned the car to Arval. After inspecting the car, they invoiced Mr R £184 for damage that fell outside of the British Vehicle Rental and Leasing Association's (BVRLA) fair wear and tear guidance. Mr R complained to Arval about this charge, but they didn't uphold his complaint. So, he brought the matter to the Financial Ombudsman Service for investigation.

Our investigator said the vehicle inspection report showed damage that fell outside of the BVRLA's guidelines, so Arval were fair to charge for this.

Mr R didn't agree with the investigator's opinion. He said that he didn't agree the damages were present when the car was returned to Arval – he said he was never made aware of any chargeable damage at the point of collection; that he signed a *"blank signature field"*, so was unaware he was signing to say he agreed with the reported condition of the car; and that the damage report does not conclusively prove the damage he was being charged for.

Mr R strongly felt that, because he was verbally told there were no issues; because he wasn't shown any photographs, notes, or condition wording; and because there was no discussion about potential charges at the point of collection, this makes the charges invalid as they were unfairly applied.

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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr R was supplied with a car under a hire agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

I've seen that the agreement Mr R signed contained a clause that stated *"the Vehicle must be returned in a roadworthy and good condition for its age and mileage … in accordance with the BVRLA's Fair Wear and Tear standards … if the Vehicle is not returned in good condition for its age and mileage, You will on demand pay Us the reasonable sum We in Our sole discretion estimate to represent Our loss which is the reduction in value of the Vehicle."*

Based on this, I'm satisfied that Arval had the right to charge Mr R for damage to the car that fell outside of the fair wear and tear guidelines. And, by signing to say that he agreed to be bound by the terms, it's reasonable to conclude that Mr R ought reasonably to have been aware that such a charge may be levied.

The car was collected from Mr R on 20 August 2025. I note the main area of his dispute is that the collection agent never pointed out or discussed any damage with him at the time, verbally told him that everything was ok, and that he signed a blank signature box. As such, he doesn't feel it's reasonable to rely upon the declaration that *"customer agrees with reported condition"*, i.e., that there was chargeable damage to a wheel, to a door shut inner, and to the rear bumper.

Mr R's concerns are noted and, when using a finger to sign on a tablet, I can understand that the necessary declarations may not be visible. So, I can understand why Mr R thinks this process is unfair. However, I've also noted that, in his email of 20 November 2025, Mr R confirmed that he didn't dispute the damage was present on the car at the point of collection, only that this doesn't fall outside the fair wear and tear guidelines.

As such, and as Mr R had had the car for three years so therefore ought to have known its general condition, I'm satisfied Mr R knew he was returning the car with some cosmetic damage – it's just that he was unaware at the point of collection that this damage was potentially chargeable.

Arval's guide to returning a car, which Mr R provided as part of his evidence in this matter, says, *"on collection day, an inspector will carry out a thorough independent inspection of the vehicle to check for damage … at the end, you'll be asked to check and sign the report to confirm the vehicle has been inspected and collected."* Given this, I think it's fair that I consider the declaration Mr R signed to be just his confirmation that the car had been inspected and collected, and nothing more.

Instead, my decision mainly relies on the Damages Recharge Schedule dated 27 August 2025, where Arval have considered the damage that was present on the car when it was returned to them against the BVRLA guidelines, and decided what was chargeable.

The collection report identified damage to the offside front wheel, which Arval said didn't fall outside of the BVRLA guidelines, so this wasn't chargeable. However, the other damage to the car – the damage to the nearside rear door shut inner and to the rear bumper – was. I've reviewed the photographic evidence which clearly shows a dent to the swage line by the nearside rear door, and a scratch to the rear bumper where the primer is showing. As both of these fall outside the BVRLA guidelines, I'm satisfied that Arval have acted both fairly, and in line with the agreement, by charging Mr R for this damage.

For clarity, the charges aren't unfair because Mr R wasn't made aware of the potential charges at the point of collection, or because the damage (which, as I've already said, he ought reasonably to have been aware of before collection) wasn't specifically pointed out to him and discussed – Arval don't have an obligation to do this.

So, and while I appreciate this will come as a disappointment to Mr R, I'm satisfied Arval acted fairly and reasonably when applying the charges they did, and I won't be asking them to reduce or remove these.

My final decision

For the reasons explained, I don't uphold Mr R's complaint about Arval UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 13 April 2026.

Andrew Burford
Ombudsman