DRN-6005222

## The complaint

Mrs T complained about end of contract charges for a car supplied on finance by Volvo Car UK Limited ("VCUK").

## What happened

The circumstances of the complaint are well known to the parties, so I won't go over everything again in detail. But, to summarise, VCUK supplied Mrs T with a car on a hire agreement in October 2022. The contract was for a minimum term of three months and a maximum term of five years.

In October 2024 Mrs T decided to terminate the agreement, and as the notice period was three months, a collection was arranged for January 2025. VCUK instructed a collection company I'll call "M" to complete an inspection on the collection of the car and provide a report on damage beyond fair wear and tear.

Mrs T said that M's inspector highlighted minor cosmetic damage but also pointed out that wear and tear on the wheels would be determined excessive by VCUK. She said that he recommended that she abort the collection and get repairs done herself. She said he described the later collection as being routine and able to be completed quickly.

Mrs T arranged for repairs to the wheels which she says cost £380. But when she later tried to rearrange the collection with M, she said there were errors which delayed rebooking the collection until 6 February.

Mrs T said that M's inspector on the second collection was patronising and was not aware of the earlier difficulties. She said he kept referring to the need for the car to be professionally cleaned and she had no such email. The car was clean and in reasonable condition. She offered to hose down the car. But the inspector was hostile and was asked to leave. Mrs T said the collection should have been simple as an inspection had already been carried out and she wasn't informed it would be necessary to complete a further inspection only to check whether anything had changed. She said the car was only driven for around ten miles in the intervening period, and although it might have been dusty from standing for a couple of weeks it was also frosty and was sufficiently clean.

A third appointment was scheduled for 26 February, and the car was successfully inspected and collected. The mileage by this point was around 10,785 and the car was just over two years old.

VCUK asked Mrs T to pay a total of around £385 for damage to the car. It also asked her to pay two £30 charges for aborted collections and the hire costs for retaining the car for the period between the first aborted collection and the successful collection on 26 February 2025. Mrs T did not agree with the charges. She complained to VCUK. She also complained about the quality of the car and not being provided with a courtesy car.

VCUK reviewed the charges and offered a refund in relation to the loss of use, but ultimately it did not uphold the complaint regarding the end of contract process. Mrs T remained

unhappy and referred her complaint to the Financial Ombudsman. Mrs T confirmed that her complaint about loss of use had been resolved but she was still unhappy about the other matters which related to the end of the contract.

An investigator here considered the complaint. Our investigator considered the evidence for the charges and said that most of the damage charges had been applied in line with the industry standards, because the images reflected that they were in excess of fair wear and tear. But she said that the charge for the front bumper ought to be removed. She didn't recommend that the aborted collection charges or hire charges should be waived.

Mrs T asked for the complaint to be decided by an ombudsman. In summary she said:

- There were a number of direct conversations and emails with VCUK where incorrect information was provided which caused delay. For example, after the first collection was aborted VCUK sent an email providing a new date for collection without any reference to the car needing to be clean or reinspected. M already had a detailed inspection note. This failure of communication led to the delays.

- M was VCUK's appointed agent and it had given it actual or ostensible authority to act on its behalf.

- Mrs T thought it would be fairer to remove the fees for the period of time the car sat waiting for a collection date.

The complaint has been passed to me to make a 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.

When considering what is, in my opinion, fair and reasonable, I take into account relevant law and regulations; regulator's rules including Consumer Duty, guidance, and standards; codes of practice; and what I believe to have been good industry practice at the relevant time.

I've read and considered all the evidence submitted by both parties, but I'll focus my comments on what I think is relevant. If I don't comment on a specific point, it isn't because I haven't considered it, but because I don't think I need to comment in order to reach what I think is the right outcome. 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 (as some of it is here), I reach my decision on the balance of probabilities. In other words, what I consider is most likely to have happened in the 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.

VCUK set out in the terms of the agreement that there is an expectation that the car will be returned in a good condition, and that damage beyond fair wear and tear will be chargeable in line with the British Vehicle Rental and Leasing association (BVRLA) guidance. When Mrs T entered into the hire agreement, she accepted these terms and conditions.

In making my decision I've taken into account relevant industry standards from the BVRLA. I've also carefully considered the images supplied and the age and mileage of the car. The guidance says that age and mileage are factors which need to be taken into account when considering what would be deemed fair wear and tear.

The guidance also explains that *Fair wear and tear occurs when normal usage causes deterioration to a vehicle… should not be confused with damage, which occurs as a result of a specific event or series of events, such as an impact, in appropriate stowing of items, harsh treatment, negligent acts or omissions.*

I've also taken into account that the inspector who actually saw the car was trained to assess the car's condition in line with industry standards. I've gone on to consider the evidence of the charges and whether I think they are in excess of fair wear and tear, and therefore chargeable. I've also thought about whether each charge itself is excessive.

Our investigator has set out a comprehensive assessment detailing each charge, the relevant standard and what the images show. I broadly agree with that assessment for broadly the same reasons, so I don't consider it necessary to focus on all aspects of this complaint in detail. I note that Mrs T didn't dispute any of those charges when she asked for a final decision.

But for the avoidance of doubt, I agree with our investigator's explanation of the BVRLA guidance and her assessment of each of the charges. 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 think it's fair to rely on the report as the most persuasive piece of evidence available.

I think Mrs T was fairly warned about the terms relating to damage outside of fair wear and tear when she entered into the agreement, and again when she arranged the first collection. So, she had the opportunity to assess and rectify any damage and ensure that the car was adequately prepared before making it available for collection.

While considering the damage here I have kept in mind that the car was two years old when it was returned and had travelled around 10,785 miles. But I think the amount of damage shown is more than fair wear and tear for a car of this age and mileage. I've not seen anything which shows that the charges are excessive considering the type and extent of repair that is needed. And here there are signs of damage which each need individual attention. So, I also think each charge itself is fair and not excessive.

Mrs T's main arguments relate to the delays with the collection and difficulties she experienced with M. Mrs T has described M as being VCUK's agent. But having checked the contract I don't find enough to show that M was acting as VCUK's agent to the extent that any actions or representations could be held out as being from VCUK. I've also not seen anything to indicate that it gave apparent authority for M to make any particular representations to Mrs T. I've seen that VCUK has said it would feedback about the inspector, and I'm sorry to hear about what happened, but it doesn't mean that I can hold VCUK liable for poor customer service from M.

The initial inspection and collection were originally booked for January 2025 and M's inspector attended. I understand that Mrs T decided to abort the collection and carry out her own repairs first. I have to note that she already had this opportunity in the months preceding the initial booking. VCUK's website and emails indicate clearly what would happen during the collection, so I think she had an opportunity to inspect the car and make her own repairs before the first inspection took place.

Mrs T was required to return the car in good condition. I've not seen anything which indicates the condition of the wheels was caused by a quality issue, so I see no reason to make an award for the costs she incurred to make those repairs. I also understand she's unhappy that VCUK passed on a charge for one of the wheels, but having seen the images from the inspection I'm satisfied that was fair.

After the first aborted collection Mrs T contacted M to rearrange another collection. I've not seen anything in VCUK's paperwork which indicates that M administrates booking collections on behalf of VCUK. I understand that Mrs T called M several times and there was confusion. But I think the process for collection was set out clearly in her contract and on VCUK's website, and it says to contact it to make the arrangements. I can't rule out that contacting M directly to make arrangements might have contributed to the delays.

Mrs T said that the second inspector was hostile, and he was asked to leave her property. Like our investigator I don't have sufficient evidence to comment on whether the inspector was hostile. I need to explain that we don't have the powers to compel witnesses and marshal sworn testimony in the way a court can. But it seems likely that if the car had been sufficiently clean then the inspection and collection would have taken place as expected. Mrs T has described the car as being dusty having sat for a couple of weeks, which might have obscured potential defects. I'm not saying something didn't go wrong, but I don't find I have sufficient evidence to say that the inspection and collection was aborted due to an error that I can hold VCUK responsible for.

Mrs T said that she wasn't told a further inspection would take place. But the first inspection and collection were aborted at her request. I understand that she's relied on information provided by M, but I don't think she was told explicitly that no further inspection would be required. I don't think M's inspector was acting as VCUK's agent to the extent that his representations could be relied on, he was simply employed to inspect and collect the car. VCUK's website, contract and email confirming the original booking set out the collection process which had originally been aborted. I think Mrs T ought to have been reasonably aware that a further inspection would be required, having retained the car in her possession for a further period of time VCUK needed to establish the condition on the day it was collected, and it couldn't assume that nothing had changed in the intervening period.

VCUK agreed to our investigator's assessment that the charge for the front bumper (£65) should be removed. I appreciate my decision will be disappointing to Mrs T, but I don't find I have the grounds to instruct VCUK to remove any further charges.

Mrs T doesn't need to accept my decision. She might decide, after taking appropriate legal advice, to pursue the matter through other avenues such as through the court.

## My final decision

My final decision is that I uphold this complaint in part and direct Volvo Car UK Limited to remove the charge of £65 relating to the front bumper.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 9 March 2026.

Caroline Kirby
**Ombudsman**