

## The complaint

Mr H's complaint is about charges imposed under a hire agreement for a car supplied by LeasePlan UK Limited.

## What happened

In August 2018, LeasePlan supplied a car to Mr H under a hire agreement. After six years, at LeasePlan's request, Mr H returned the vehicle in late August 2024.

Following an inspection of the car, LeasePlan sent Mr H an invoice for charges relating to vehicle damage totalling £664.18 as follows:

1. Wheel LHF scuffed rim and spoke - £71.23
2. Wheel LHR scuffed rim and spoke - £71.23
3. Wheel RHR scuffed rim and spoke - £71.23
4. Wheel RHF scuffed rim - £71.23
5. Front bumper scratched - £143.38
6. Rear bumper scratched - £143.38
7. Door mirror housing LH scratched - £37
8. Qtr panel LHR dented - £55.50

Mr H disputed the application of these charges with LeasePlan. In doing so, Mr H said (amongst other things) that the car was *six years old and has been used almost daily by [his] family*. Mr H went on to say *there is no way a car can get through that time without collecting any sort of blemish*.

However, Mr H says he did not receive a response to his concerns and LeasePlan simply continued to send him invoices for the vehicle damage.

In early November 2024, Mr H received an email from LeasePlan advising him that, whilst the vehicle was being processed, a mileage blocking device was discovered on the vehicle. In the weeks that followed there was dialogue between Mr H and LeasePlan during which Mr H strongly denied fitting this device.

In December 2024, a further invoice was generated to cover the loss in sale value due to the mileage blocker. The invoice totalled £2,676.46. Mr H expressed his unhappiness with the application of this additional charge.

In January 2025, LeasePlan issued its response to Mr H's concerns. In doing so, it removed the charge of £55.50 attributed to a dent to the Qtr panel LHR (point 8 above) because the *"evidence doesn't fully support the claim"*. LeasePlan maintained that the remainder of the charges for vehicle damage were applied fairly, although it made no comment regarding Mr H's concerns about the mileage blocker in its final response.

Unhappy with LeasePlan's response, Mr H referred the matter to our service in late December 2024.

One of our investigators looked into matters and, in July 2025, issued their opinion in which they did not think the complaint should be upheld.

Mr H did not agree and, therefore, the complaint was passed to me to decide.

In November 2025, I issued a provisional decision. Here is what I had to say:

*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 currently do not think this complaint should be upheld. I understand this will come as a disappointment to Mr H, but I'll explain why I think this is a fair outcome in the circumstances.*

*However, before I do, I'm aware that I've summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.*

*If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.*

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

*The terms and conditions of the agreement, signed by Mr H, set out that the vehicle must be returned in 'good and substantial repair (fair wear and tear excepted, having regard only to its age and mileage). A Vehicle Collection Report will be completed and you will be required to agree any apparent damage and sign the Vehicle Collection Report. A detailed inspection will take place prior to our selling the Vehicle.'*

*It goes on to clarify LeasePlan can charge Mr H for any damage beyond 'fair wear and tear' (after all Mr H has had the car for several years so some wear and tear would be expected).*

*Mr H has questioned whether it is fair he is charged the amount LeasePlan has requested. So, the key question in regard to the damage is whether it goes over and above what is considered to be 'fair wear and tear'. My starting point is what the agreement says – however, in the absence of detailed guidance I turn to industry produced guidelines. The British Vehicle Rental and Leasing Association ('BVRLA') has produced guidance which is widely used in the industry to determine fair wear and tear when vehicles are returned particularly where vehicles are leased from new/nearly new. I consider this to be a reasonable basis for determining what is fair wear and tear here.*

*As set out in the prior section, LeasePlan's inspection identified a total of eight areas of damage that it deemed to be unacceptable. And, as I've said, following a review of the evidence after Mr H raised his concerns, one of these charges (pertaining to the denting of Qtr panel LHR - point 8), has since been removed. With that being the case, I will only consider whether it is fair Mr H is charged for the other items (points 1-7).*

*I have considered what LeasePlan has charged Mr H for and whether that is fair in light of the relevant return standards and considering the evidence from the inspection it carried out, as follows:*

*Wheel LHF, Wheel LHR, Wheel RHR– scuffed rim and spoke (points 1-3)*

*The BVRLA guidance says, “scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels are acceptable.”*

*I’ve reviewed the photographs and it is clear that there is scuff marks on the rim. However, these have not been measured. This makes it difficult to make a finding on whether the scuffs amount to 50mm on the total circumference.*

*But I need not consider that further, because it is clear there is scuff marks on the wheel spokes. And the guidance says that “Any damage to the wheel spokes, wheel fascia, or hub of the alloy wheel is not acceptable.”*

*The damage evident appears to contravene this requirement. With that being the case, I think it is fairly chargeable.*

*Wheel RHF scuffed rim (point 4)*

*I’ve looked at the inspection report photographs in support of these charges and, on balance, I’m satisfied that they show scuffs on the rim in excess of 50mm on the total circumference and, therefore, in contravention of the BVRLA guidance set out earlier.*

*The photographs taken of this damage during the inspection report do not include a measuring tool. So, it’s difficult to ascertain the true extent of the scuffs. But, as our investigator said, the scuffs to the rim appear to start from before the tyre valve cap and extend all the way to the end of the wheel spoke.*

*Noting the diameter of the wheel, I think it is far more likely than not that these scuffs exceed the 50mm tolerance set out in the BVRLA guidance.*

*Therefore, taking everything into account, I’m satisfied that this is damage that LeasePlan can fairly and reasonably charge Mr H for.*

*Front and rear bumper scratched (points 5-6)*

*The BVRLA guidance says “Surface scratches of 25mm or less where the primer or bare metal is not showing are acceptable provided they can be polished out. A maximum of four surface scratches on one panel is acceptable”.*

*I’ve looked very carefully at the evidence that LeasePlan has provided. In the case of the front bumper, I’m satisfied that the damage highlighted by it is indeed present; put simply, there is sufficiently clear evidence of a scratch in excess of 25mm. So, I think the charge in respect of the front bumper has been applied fairly and in accordance with the industry guidelines.*

*And with regards to the rear bumper, the photograph taken during the inspection report shows several scratches which appear to have penetrated the top coat and, perhaps more definitively, it shows more than four scratches.*

*I’m satisfied that these scratches fall outside the guidelines set out by the BVRLA for fair wear and tear. So, I think it was fair for LeasePlan to charge for this damage.*

*Door mirror housing LH scratched (point 7)*

*The BVRLA guidance set out in relation to points 5-6 applies here. And the photographs taken during the inspection report appears to show a scratch in excess of 25mm.*

*With that being the case, I am satisfied it's reasonable to charge Mr H for this damage.*

*The mileage blocker*

*I now turn to the matter of the additional charge levied by LeasePlan due to the loss in sale value caused by a discrepancy in the mileage.*

*On the one hand, LeasePlan says that whilst the vehicle was being processed a mileage blocking device was discovered. As a result, the mileage appeared to be incorrect. And, by having to declare the mileage as incorrect – and thereby selling a car with unwarranted mileage – it incurred a loss in sale value of £2,676.46 which Mr H is liable for.*

*On the other hand, Mr H strongly denies any knowledge of such a device and, therefore, disputes the charge.*

*The first thing I would say is that where the information I've got is incomplete, unclear or contradictory, I've based my decision on the balance of probabilities.*

*I've looked at the BVLRA guidance which says any "unauthorised odometer changes are not acceptable" and "any odometer malfunctions must have been reported to the lease company". Similarly, the terms of the agreement state that LeasePlan must be notified in the event of an odometer failing to work properly. I've kept this in mind.*

*During the initial inspection, which was carried out by a firm I'll call Business B, a discrepancy was found between the mileage on the odometer (50,028 miles) and in the ECU (81,443 miles). At this stage, Business B said it found a mileage blocker which it subsequently removed. It has provided video footage of what appears to be a device of some kind attached to the dashboard. I accept this video footage is not sufficient to definitively conclude this was a mileage blocking device. After all, Mr H says he had a dashcam fitted to the car which he thought was "wired straight into the fuse box in the footwell".*

*It is my understanding that Business B, on the back of removing this device, asked for a second verification to be conducted by a firm I'll call Business R. Business R says it found the odometer reading to be 51,859 miles, whilst the gearbox and ECU both read 51,860 miles. It is unclear why the mileage had increased by around 1,831 miles since the earlier inspection because, as far is known, the vehicle had not left site. I note that this additional mileage has not been adequately explained but, for the reasons I'll come on to, I don't think it makes a difference here.*

*Business R says it looked at the car again a few days later. It found the odometer and gearbox still read 51,860 miles; however, it found another reading in the gearbox which suggested the mileage was, in fact, 81,443 miles. Business R has provided photographs of their findings, and these images contain the VIN which corresponds with the VIN on the inspection report.*

*Business R also noted that the ECU shows a mileage of 51,862 miles, however it said the ECU provides a 'faulty event information' reading and lists the vehicles mileage. Therefore, Business R said it assumes the "ECU knows something is wrong" with regards to the mileage. Again, Business R has provided photographs of the display panels to evidence their readings.*

So, in summary, at various points during the inspection process the ECU and gearbox reported mileages of both 51,860 and 81,443. Further, the ECU appears to suggest that there is a potential fault with the mileage.

Noting the discrepancies present in the vehicles various systems, I've turned to look at the vehicle's mileage history. The available evidence suggests the mileage history is as follows:

<b>Date</b>	<b>Mileage</b>	<b>Annual Mileage increase</b>
September 2018	0	N/A
December 2019	18,665	18,665
2020	Unknown	Unknown
September 2021	34,945	8,140 (since 2019)
September 2022	44,030	9,085
September 2023	46,523	2,493
October 2024	49,960	3,437

As can be seen from the above table, the annual mileage appears to tail off markedly after 2022. I accept that, on the one hand, this downward trajectory can be easily explained and is not evidence, in and of itself, that the actual mileage was higher than the odometer suggested.

However, I think this annual mileage pattern, in conjunction with the discrepancies in recorded mileage in the vehicles various systems I've already set out, leads me to conclude that, on balance, LeasePlan had reasonable grounds to determine that something had gone wrong with regards to the recorded mileage – specifically that it had, for one reason or another, been suppressed.

In saying that, I make no finding regarding how or why the mileage had been suppressed. It is possible that it was due to a mileage blocking device as LeasePlan has said. It is also possible it was due to a technical fault. But I do not need to make a finding on this in order to reach what is, in my view, a fair and reasonable answer here. I say this because, regardless of the root cause, I am satisfied that LeasePlan acted reasonably when it concluded the actual mileage was, in fact, 81,443 miles and therefore higher than the recorded mileage suggested.

With that being the case, I've thought carefully about the fairness of what LeasePlan is charging – specifically reimbursement of the loss in sale value.

On the basis that the actual mileage was 81,443 I think, on balance, it would have been sufficiently clear that the odometer was not functioning correctly. Recalling the provisions within the BVRLA guidance and within the terms of the agreement – and noting that I can't see LeasePlan had been informed of any problems with the odometer - I am currently satisfied that LeasePlan is entitled to recover the loss in sale value as a result of having to declare the mileage as incorrect. After all, selling a vehicle with unwarranted mileage will undoubtedly have an impact on the sale value.

I note, also, that the terms of the agreement (section 9.5) entitle LeasePlan to charge an excess mileage fee for every mile over the annual mileage allowance (8,000 miles). I've not seen evidence to suggest the annual mileage allowance changed upon expiry of the original terms of the agreement. Therefore, on the basis the vehicle had travelled 81,443 miles when it was returned, it is my understanding that the excess mileage charge would far exceed the loss in sale value LeasePlan is now seeking to recover. In that context, I don't currently think LeasePlan has acted unfairly by seeking to recover the loss in sale value as an alternative.

*Whilst I understand this will come as a disappointment to Mr H, having carefully thought about all the facts in this case, I do not currently think this complaint should be upheld.*

*I will add that if Mr H is unhappy with any action LeasePlan chooses to take going forwards with regards to this matter, this could be raised as a separate complaint.*

### **Responses to my provisional decision**

I asked both parties to provide any further comments or submissions in response to my provisional decision by 10 December 2025.

In response, Mr H said that whilst he does not agree with the [BVRLA] guidelines, he cannot dispute the claims regarding fair wear and tear damage to the vehicle (points 1-7).

However, Mr H maintains that LeasePlan should not be entitled to charge for the losses incurred from the presence of an alleged mileage blocker. In doing so, Mr H said that:

- There is clearly an issue with the software noting the vehicle's mileage appeared to increase 1,831 miles despite it not having left site.
- The video "*showing a random set of vehicle clocks with wires and a box connected to it means nothing...it has no content*".
- The year-on-year downward trajectory in the mileage was due to the fact Mr H had "*started working from home full-time and no longer used the vehicle to travel to [his] place of work...also [his] family has two other cars that were also frequently used*".

I would like to thank Mr H for taking the time to put together this response.

LeasePlan accepted the provisional decision with no further comment.

As both parties have now responded, I will proceed to issue my final determination.

### **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 – as well as having considered everything that has been said in response to my provisional decision – I still do not think this complaint should be upheld. I understand this will come as a disappointment for Mr H however, I'll explain why I think this is a fair outcome in the circumstances.

Firstly, I note neither party disagreed with what I had to say about the charges levied due to damage considered to be outside of 'fair wear and tear' as per the BVRLA guidelines (points 1-7). With that being the case, I see no reason to depart from what I had to say about this. This being that I am satisfied these are fairly chargeable.

I'll now turn to the matter of the additional charge levied by LeasePlan due to the loss in sale value caused by a discrepancy in the mileage.

Mr H makes the point that the video supplied by Business B "*showing a random set of vehicle clocks with wires and a box connected to it means nothing*". I don't necessarily disagree with what Mr H has said here, although I do not think the video necessarily 'means nothing'. As I said in my provisional decision, the video appears to show a device of some

sort being removed from the dashboard which Business B says is a mileage blocking device. However, I agree with Mr H that this video – particularly in isolation - does not evidence the presence of a mileage blocking device.

In response to my provisional decision, Mr H says there is clearly a problem with the software noting that the recorded mileage appeared to increase by 1,831 miles whilst the vehicle was in for inspection despite it, seemingly, not having left site (and this has not been adequately explained). I accept that it is possible the problems with the mileage stem from a technical fault with the vehicle as Mr H suggests and the correct mileage was c51,860.

At this juncture I should make it clear that where the information I've got is incomplete, unclear or contradictory, I've based my decision on the balance of probabilities.

And, having thought carefully about this, I think the marked change in the annual mileage pattern from 2022 onwards, in conjunction with the discrepancies in recorded mileage in the vehicles various systems identified by both Business B and Business R, as well as the ECU reporting a potential fault with the mileage, leads me to conclude that LeasePlan, on balance, had reasonable grounds to conclude that something had gone wrong with the recorded mileage – specifically that it had, for one reason or another, been suppressed and it was, in fact, 81,443 miles.

To be clear, in saying that, I make no finding regarding how or why the mileage had been suppressed. It is possible that it was due to a mileage blocking device as LeasePlan has said. It is also possible it was due to a technical fault as Mr H has suggested. But, regardless, I think LeasePlan had reasonable grounds to conclude the mileage was 81,443 miles and therefore higher than the recorded mileage suggested.

I note, in response to my provisional decision, Mr H has provided reasons why the annual mileage had decreased – specifically that he had started working from home around that time and his family has access to two other vehicles. Whilst this is perfectly plausible, it doesn't alter my view that LeasePlan had reasonable grounds to reach the conclusion it did based on all the available evidence in this case – including, as I've said, the discrepancies in recorded mileage in the vehicles various systems identified by both Business B and Business R, as well as the ECU reporting a potential fault with the mileage.

Therefore, recalling the provisions within the BVRLA guidance and within the terms of the agreement – and noting that I can't see LeasePlan had been informed of any problems with the odometer - I think LeasePlan is entitled to recover the loss in sale value as a result of having to declare the mileage as incorrect

As I've said, I understand this will come as a disappointment for Mr H noting his strength of feeling with regards to this matter. Mr H does not have to accept my findings and if he wishes he can pursue his dispute through more formal avenues such as court (seeking appropriate legal advice as he sees fit).

I will add that if Mr H is unhappy with any action LeasePlan chooses to take going forwards with regards to this matter, this could be raised as a separate complaint.

### **My final decision**

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 7 January 2026.

Ross Phillips  
**Ombudsman**