

## **The complaint**

Miss M complains about charges she was asked to pay by Volkswagen Financial Services (UK) Limited (VWFS) when she returned a car she had been financing through an agreement with them.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In April 2021 Miss M took receipt of a new car. She financed the deal through a hire purchase agreement with VWFS. When the car was returned at the end of the agreement VWFS arranged for it to be inspected. The inspector noted damage to the internal door pad and a wing mirror and it was his opinion these items needed replacing. He also identified some damage to a wheel that he thought needed repairing.

Miss M referred her complaint to this service and our investigator noted that there was already a report from the British Vehicle Rental and Leasing Association (BVRLA) who provide the industry guidance on fair wear and tear when cars are returned at the end of their lease. He didn't therefore think our service should consider whether the damage was chargeable, as the BVRLA had said it was. But he did think we could consider whether the amount Miss M had been charged was fair. He thought it was.

Miss M disagreed. She didn't think it was fair for VWFS to choose to replace the parts rather than to repair them and she thought it was unreasonable to replace them with original equipment parts. She said that in the absence of proof the car had been repaired it was unfair for VWFS to levy the charges they had and that the charges should be limited to reasonable smart repair equivalent or proven loss on resale. She asked for a decision by an ombudsman.

## **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.

I agree with the investigator's view of this complaint and for broadly the same reasons.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss M acquired her car under a regulated consumer credit agreement. This means our service is able to consider complaints about it.

Miss M has already paid the charge for the damaged wheel and no longer disputes it. I won't comment on that further, other than to note that repair was a reasonable option and the £60 charge was fair.

However, Miss M continues to dispute the charges for replacing the mirror and door pad. While I understand her view that repair might have been possible, VWFS were entitled to decide that replacement was the appropriate remedy. Given the type of parts involved—a safety-critical door mirror and a finished interior component—and the need to return the car to a suitable commercial condition or avoid a reduced resale value, I'm not persuaded that choosing replacement over repair was unreasonable or unfair.

The BVRLA guidance also says that charges may still be applied even if a leasing company decides, for commercial reasons, not to repair the damage or replace missing items before selling the vehicle. So VWFS doesn't need to show that the repairs were actually completed.

As this was a new car, I also don't think it was unreasonable for VWFS to use original equipment parts for any replacement. If Miss M wished to reduce the potential cost, she had the opportunity to arrange repairs before the vehicle was collected.

Overall, I'm not persuaded that VWFS acted unfairly, and I'm not asking them to remove or reduce the charges.

### **My final decision**

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 19 January 2026.

Phillip McMahon  
**Ombudsman**