

## The complaint

Mr F complains about the level of service he received from Santander Consumer (UK) Plc, trading as Volvo Car Financial Services (“Santander”) when he returned a car at the end of his hire agreement.

## What happened

Mr F entered into a hire agreement in June 2021. The hire agreement was initially set up over a two-year term with an advance payment and then 23 monthly rentals of £405.49. Towards the end of this term, this agreement was extended.

The details of this complaint are extensive, but are known to both parties, so I’m only going to summarise the key points here. If I don’t comment on something, it’s not because I haven’t considered it, it’s because I’ve concentrated on what I think are the key issues. Our powers allow me to do this.

Mr F says:

- When he came to return the car at the end of the agreement, it was collected and assessed by a third-party on behalf of Santander, and he was issued with invoices for excess mileage and for damage to the car;
- he tried to get detailed breakdowns of the invoices, but these weren’t forthcoming, and then several weeks later after the finance agreement had finished, Santander tried to debit an amount from his bank account;
- he first became aware of this when he was notified that its attempt to take funds from his account had failed;
- Santander had failed to explain what happened; it’s not offered him an apology, and he wants compensation for the distress and inconvenience its caused;
- he’s written to multiple teams at Volvo about its “*blatant attempt at theft*” but he’s heard nothing. And he says what’s happened is a “*clear and flagrant breach of data protection laws*”.

Santander partially upheld this complaint. It explained that the industry guidelines against which cars are assessed have been drawn up by the British Vehicle Rental and Leasing Association (“BVRLA”), and it said that these guidelines “*represent the industry-wide accepted condition standards for the return of a vehicle*”. Santander said that “*this is made clear within the terms of the lease hire agreement, and a copy of the guide can be found on the Santander website...*”.

Santander said that the guidelines relate to the return of all cars, and the fact that Mr F’s car was older – he’d extended the hire term – had no bearing on the matter as all returned cars are assessed against these standards. And it provided Mr F with a copy of the inspector’s report along with copies of the images taken during the car’s assessment.

Santander reviewed the damage charges and said it had removed some of the charges as, although evident on the imaging, the damage was within the guidelines, or not as serious as

first thought. And it told Mr F that the revised amount owing for damage to the car was £198.00.

Mr F had also complained to Santander that one of its representatives had attempted to contact him on a Saturday, and the subsequent written communication had been incorrect. Santander apologised for what had happened, and it confirmed Mr F's records had been updated so that in future he'd receive no further contact over the weekend period.

Santander apologised again for the poor experience Mr F had, and it recognised that he ought to have had a "*significantly better customer journey*".

Our Investigator looked at this complaint and said that although she didn't think Santander needed to do anything more in respect of the end of contract damage charges themselves or its attempt to collect payment by direct debit, she recognised the distress and inconvenience caused to Mr F from what had happened, and she asked Santander to pay him £200 compensation.

Our Investigator explained to Mr F that although he had made a number of complaints about his previous poor experiences with other cars he'd hired, this Service could only look at a complaint with a direct connection to the regulated hire agreement that he'd taken out through Santander Consumer (UK) Plc. Put simply, this Service does not have any jurisdiction over the actions of car dealerships, garages, or car manufacturers.

Our Investigator also told Mr F that his complaint about breaches of data protection laws was outside this Service's remit, and that he'd need to take any complaint about this matter to the Information Commissioner's Office (ICO) for further guidance and assistance.

Mr F disagreed with our Investigator's recommendations. He said £200 compensation was a "*token sum*" given that he'd spent many hundreds of hours dealing with this matter, along with the ongoing stress he'd been caused. And he said she'd ignored certain key facts, and that her investigation of his complaint appears to have been directed at the incorrect counterparty. Mr F also did not accept that the BVRLA guidelines had been applied correctly.

Our Investigator looked at things again. She explained again that she couldn't look at a complaint against the car manufacturer, and she'd only be able to consider complaints connected with the business named on the regulated hire agreement. She acknowledged that although Mr F might *not* see these entities as separate businesses, that's exactly what they were from a legal perspective.

Our Investigator said she didn't think the application of the BVRLA guidelines had been unfair or unreasonable because the guidelines distinguish between deterioration from normal usage and damage beyond fair wear and tear.

Mr F disagrees so the complaint comes to me to decide. He again emphasised that he regards the car manufacturer and similarly named entities to be a single organisation, and he expected his concerns to be handled as such.

### **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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time.

Having considered all the evidence, I've reached the same conclusion as our Investigator and for broadly the same reasons.

I hope that Mr F won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Mr F should note, however, that although I may not address each individual point that he's raised, I have given careful consideration to all of his submissions before arriving at my decision.

As the hire agreement entered into by Mr F is a regulated consumer credit agreement this Service is able to consider complaints relating to it. But that means I'm only able to consider complaints against Santander Consumer (UK) Plc, and its trading name. No matter how much Mr F may wish to have all his complaint points investigated and dealt with at once and in one investigation – and I understand that desire – this Service simply cannot look at complaints Mr F may have with the car manufacturer, or other entities or subsidiaries of the wider Group.

It's *only* because the hire agreement he entered into is "*regulated by the Consumer Credit Act 1974*" that we can look at his complaint relating to it. And as the other party to the hire agreement is Santander Consumer (UK) Plc, then it's only complaints about this entity that I can consider. So I need to tell Mr F that he is incorrect to claim that the Investigator "*has concentrated on the wrong department*".

Next, I've gone on to consider the end of contract charges levied by Santander, and its attempt to recover some of these monies by direct debit. But, having considered this very carefully, I can't conclude that it did anything wrong here.

I say this because:

- the hire agreement has a section headed "*Return Conditions Schedule*" and this sets out that the car will be assessed against the BVRLA guidelines when it's returned at the end of the credit agreement, and it signposts the hirer – in this case Mr F – to the website should they wish to view the guidelines in full.
- Santander used a recognised independent third-party to collect and assess the car. The third party wasn't responsible for the charges; it was only responsible for assessing the car and ascertaining whether any damage or defects went beyond fair wear and tear.
- Mr F was sent invoices which, in my opinion, contained sufficient detail to explain how the excess mileage charge had been calculated, and the basis upon which the damage charges had been levied. The payment method for the excess mileage charge was recorded as *direct debit*, and an attempt to collect this amount was made.
- When Mr F challenged the end of contract damage charges, they were reviewed again, and Santander reduced them and notified Mr F of this.

I've gone on to consider whether there was any other reason why it would be unfair for Santander to apply these charges. But I'm satisfied that the charges Santander asked Mr F to pay were applied fairly and in line with relevant industry guidance and that Santander has acted fairly in respect of the reduced charges it applied.

Finally, I've looked at the service Mr F received over the period in question; this is what Santander calls the *customer journey*.

Santander recognised there were shortcomings in Mr F's customer service experience, but it didn't offer him any compensation even though it acknowledged the inconvenience, frustration and poor experience he'd had. Our Investigator recommended Santander pay Mr F £200 compensation because of this experience.

I've noted Mr F's comments that this is just a token sum, given the many hundreds of hours he's wasted dealing with this matter, and the time, effort and frustration involved. But having considered the things for which Santander alone is responsible – and removing the other complaint points that Mr F might want me to consider but which I'm unable to look at, I agree with the Investigator's recommendation here, and I think £200 is fair and reasonable in the circumstances of this complaint.

I'm persuaded that Santander recognised its mistakes and it apologised for what it did wrong, and although I can understand the frustration and inconvenience Mr F will have experienced, I simply do not think an award of more than £200 is warranted here.

Although I'm upholding this complaint, I know that Mr F will be disappointed with the outcome, but I hope he understands why I've reached the conclusions that I have.

### **Putting things right**

Santander Consumer (UK) Plc, trading as Volvo Car Financial Services indicated that it was willing to pay Mr F the £200 compensation recommended by our Investigator. If it hasn't already made this payment, I'm now going to require it to do so.

### **My final decision**

My final decision is that I uphold this complaint and direct Santander Consumer (UK) Plc, trading as Volvo Car Financial Services, to pay Mr F £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 March 2026.

Andrew Macnamara  
**Ombudsman**