

The complaint

Mr F complains that Arval UK Limited (Arval) applied unfair charges at the end of his hire agreement. He would like a charge for a missing key removed and charges for wheel repairs waived or significantly reduced.

What happened

Mr F told us that he took out a Hire Agreement with Arval in 2018 which he later extended to 2025. He says at the end of the hire period Arval charged him £399.67 for scuffed wheels and a missing key.

He doesn't feel these charges are fair as Arval hasn't taken into account the age and excellent condition of the car nor that he only drove 58000 miles. He doesn't dispute the missing key but doesn't feel Arval has evidenced it had to replace this and therefore hasn't suffered any loss.

Arval said that its charges were a result of an independent British Vehicle Rental and Leasing Association (BVRLA) inspection and in accordance with the terms of the contract Mr F took out.

I issued a provisional decision in which I concluded:-

- I looked at the contract Mr F signed. In this Arval made it clear that it would apply charges at the end of the hire period for any damage to the car.
- I was mindful that Arval uses BVRLA guidelines to assess fair wear and tear damage. These guidelines are industry standard so I thought it was fair for Arval to use these.
- I saw the independent report which detailed the missing key and evidenced the wheel damage that Arval have charged for.
- Mr F didn't seem to dispute the findings of the inspection report i.e. that there was a missing key and damage to the wheels, nor that these were chargeable under the BVRLA guidelines.
- Mr F's main issue seemed to be that he felt the other charges were unfair given the car was only 7 years old when he returned it and, had only been driven 58000 miles. Also, in terms of the missing key, Arval hadn't evidenced any financial loss.
- The spare key should have been returned with the car but wasn't. Arval confirmed it hasn't replaced the key but I thought it made a fair point when it said lack of a spare key would lower the overall value of the car. I thought most consumers would want a spare key and may well incur the cost of getting one themselves. Arval told us its charge was the manufacturer charge for a new key. I thought it was both reasonable to charge for a missing key and base the charge on what the manufacturer would charge for this.
- In terms of the scuffing to the wheels. I accepted that some damage of this kind is to

be expected after 7 years use. However I thought the BVRLA guidelines covered this as they allow for damage up to 50mm. The scuffing on Mr F's car was over this so I thought, on that basis, the charges applied were fair and in accordance with the industry standard BVRLA guidelines. I didn't feel I had any reason to ask Arval to reduce or waive these charges.

- Finally Mr F referred to the Consumer Duty Regulations in relation to fair treatment ,clear communication, good outcomes and ensuring products provide fair value.
- I explained that The Consumer Duty regulations put customers at the heart of business decisions and businesses must act to deliver good outcomes for consumers. However, that didn't automatically mean giving consumers what they want or what they felt was fair.
- In this case I thought the obligations on return of the car were clear in the agreement Mr F signed. Arval's use of BVRLA guidelines was standard industry practice and its report was an independent one which clearly evidenced damage according to the BVRLA guidelines. So, I didn't feel Arval failed in its obligations under the Consumer Duty regulations.

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.

Arval accepted my provisional decision but Mr F didn't.

Mr F sent us various documents in response to my provisional decision. I would like to assure him that I have considered all of the points he made in these documents.

Some of his points are general ones and I think its best I address these first before I consider the detail of his responses about the actual charges.

Firstly Mr F feels its inconsistent that my provisional decision was not the same as our investigator's. Our process is that when an investigator issues a view either party can challenge this. In this case Arval didn't accept the investigator's view and Mr F remained unhappy with the charge for the missing key.

In situations where one or both parties disagree with an investigator's view the complaint is put forward to an Ombudsman for an impartial final decision. The ombudsman reviews the whole complaint and may agree or not with the investigator's view. I accept it must be frustrating when an ombudsman makes a different decision to the investigator as I did. But that is our process.

Mr F also feels it's unfair that Arval continued to demand payment from him during the complaint process. We might ask businesses to suspend such actions but they are not obliged to do so and neither can we force them to. Whilst I appreciate Mr F may have found this situation stressful that isn't in itself a reason to tell Arval to waive the charges it applied. Mr F wants to reserve his right to take further action. He is entitled to do so. He doesn't have to accept my final decision when he receives it, he can, for example, pursue his complaint via the legal route should he choose to do so.

Finally, Mr F has made the point that a court of law would require clear evidence of an actual loss. I need to make it clear to Mr F that we do not operate as a court of law. We look at all the circumstances of complaints to decide what is fair and reasonable.

In terms of Mr F's comments on the actual charges he still disputes that there is any evidence that a loss incurred as a result of the missing key. Mr F also now disputes any evidence that the key was missing.

Up to this point Mr F doesn't seem to have disputed the key was missing. That was the conclusion both the investigator and I came to. So I think it's more likely than not that a key was missing when he returned his car otherwise I think Mr F would have strongly asserted this during our investigation process but didn't do so.

I am still of the view that all keys issued had to be returned with the car. If they were missing Arval was entitled to charge for them. It doesn't have to evidence an actual loss and I think lack of a spare key might impact on the value of the car – I think it's reasonable most consumers would want a spare set. And, Arval has only charged the manufacturer cost for a replacement key which I think is fair.

Mr F also makes the point that there was no demonstrable loss to Arval as the car was, in his view, returned in excellent condition, commensurate with its age and with just minor cosmetic wear.

Mr F's car was assessed using industry standard BVRLA guidelines. These allow for minor defects which would be considered as fair wear and tear. In this case the scuffing was over the 50mm allowed so was chargeable under these guidelines.

Mr F feels that Arval shouldn't rely on these guidelines as they are not legally enforceable. Businesses have to use some method of fairly assessing damage over and above fair wear and tear. BVRLA guidelines are industry standard and are the ones we refer to when assessing if charging is fair or not. So, I think the use of these guidelines is entirely reasonable.

I have carefully considered all the points Mr F has made but, other than now disputing a spare key wasn't missing which I have addressed, he hasn't provided any new information that leads me to change my provisional view.

In summary the agreement Mr F had with Arval made it clear that charges for damage over and above fair wear and tear would be made at the end of his agreement in accordance with BVRLA guidelines. These guidelines, which make allowances for fair wear and tear, are industry standard and so, in my view, entirely appropriate to use. Arval accepted the independent report on Mr F's car carried out according to these guidelines and charged accordingly. On this basis I have no grounds to ask Arval to waive the charges it applied.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 8 May 2026.

Bridget Makins
Ombudsman