DRN-4809405

The complaint

Mr P complains about the charges Santander Consumer (UK) Plc, trading as Volvo Car Contract Hire, applied when he returned a car after his hire agreement ended.

What happened

Mr P entered into a hire agreement in January 2020. The agreement ended in January 2024 and Mr P returned the car. He was unhappy with the end of contract charges that were applied when he returned the car. The charges largely related to poor paintwork repairs. Mr P explained that he had paid for professional repairs to the paintwork before returning the vehicle and that he considered the paintwork was of a satisfactory standard.

Mr P complained to Volvo about the charges related to damage of the vehicle. He accepted charges for a dent to the front door and a misaligned front bumper.

Volvo rejected Mr P's complaint. It said that when the car was collected it was inspected at the time by its collection agent and the report was used to calculate the charges for the vehicle conditions which fall outside of the defined wear and tear standard. It said this inspection identified damages totalling £1,098. Volvo reviewed the charges along with evidence supplied by Mr P but largely maintained the charges. Although Mr P had agreed with the charge for a dent on the front door it removed this charge. Volvo also credited Mr P's account with £150, which left £900 to pay.

Mr P disagreed and took his complaint to the British Vehicle Rental and Leasing Association (BVRLA). BVRLA concluded that the damage charges had been applied correctly.

Mr P disagreed and brought his complaint to this service. Mr P said that he thought he was being charged because he couldn't prove he had paid for the repairs or that he was penalised for not using an official repairer.

Volvo said that it didn't agree to this service reviewing Mr P's complaint because Mr P had already raised the same matter with BVRLA. However, our investigator did not consider that the BVRLA was a comparable Alternate Dispute Resolution (ADR) entity and considered that this service could consider Mr P's complaint.

Our investigator reviewed the evidence and didn't uphold Mr P's complaint. The investigator explained that they were satisfied the charges were fair and in line with the terms and conditions of Mr P's hire agreement.

Mr P didn't agree with the investigator's view in relation to the damage and made further representations about the condition of the vehicle on return and whether it was returned in compliance with the Return Condition Schedule. He submitted that he returned the car in a far better condition than is tolerated by the schedule.

Our investigator didn't think this made a difference to the outcome. As Mr P didn't agree his 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.

Having done so, I've reached the same conclusion as our investigator about the damage and for the same reasons. I will explain why.

The charges and costs which remain are as follows:

Damage	Amount charged
Front bumper – dirt in paint – bumper corner	£65
Front wing L – dirt in paint – poor repair	£160
Front door L – dirt in paint – poor repair	£160
Rear door L – dirt in paint – poor repair	£160
Quarter panel L – dirt in paint – poor repair	£160
Rear bumper – dirt in paint – poor repair	£95
Front wing R – paint run – poor repair	£160
Front wing arch extension – dirt in paint – poor repair	£65
Front bumper – misaligned	£25
Subtotal	£1,050
Credit	-£150
Total	£900

Volvo withdrew a charge for a dent to the front door and Mr P accepts the charge for the misaligned front bumper, so I have only considered the charges relating to the poor repairs.

The terms and conditions of the agreement, signed by Mr P, sets out Mr P's obligations in terms of keeping the vehicle in good condition and repair. It says:

"On termination of this agreement…during or at the end of the fixed period, you will immediately pay to us together with VAT;
…

9.14 our costs in respect of servicing, providing replacement parts and carrying out repairs which are needed to put the vehicle in good condition following its return or possession or resulting from an accident or deliberate or negligent damage to the vehicle."

It also says:

"You must have all maintenance and repair carried out by an Approved Supplier."

A Return Condition Schedule (RCS) is appended to the agreement and states:

"The vehicle will be deemed to be in "good condition" for the purposes of this agreement if it is undamaged and has no abnormal wear and tear as defined below:

Dirt

Any dirt on interior/exterior/engine/boot areas that cannot be cleaned with steam, wash, wax and shampoo are considered to be abnormal wear."

And;

"Substandard repair

Any substandard repair constitutes abnormal wear and tear. All repairs should be performed by the dealer."

Mr P had repairs made to the bodywork of the vehicle. In Volvo's final response to Mr P it said that if he could provide Volvo with proof of the repair work completed, it would look into this further. It didn't specify that the proof needed to be of repair work completed by the dealer. Mr P wasn't able to provide proof of the repair work although there doesn't seem to be any doubt that the work was completed because, it is argued by Volvo, the repair work was substandard, leaving evidence of dirt under the resprayed paintwork.

Volvo also states in its definitions of terms that:

"Fair wear and tear is determined by reference to the British Vehicle Rental and Leasing Association (BVRLA) industry fair wear and tear standard.

A copy of which will be provided on request."

And;

You may be liable for necessary repair and maintenance costs to bring the car to a standard in line with any applicable industry standard relevant to the assessment of fair wear and tear."

The BVRLA guidelines say the following:

"Any repairs made to the vehicle before its return must be to a professional standard by repairers who can provide full warranty on their work."

And;

"Obvious evidence of poor repair, such as flaking paint, preparation marks, paint contamination, rippled finish or poorly matched paint, is not acceptable."

It appears that Volvo relies both on the BVRLA guidelines and those it includes in its RCS. This is unusual and makes the terms less clear than they might have been. However, I am satisfied that in the circumstances of Mr P's complaint it makes no difference whether I apply the BVRLA guidance or the RCS criteria as the outcome would remain the same.

I have reviewed all of the images provided in the inspection report and am satisfied that each of them shows evidence of dirt under the paintwork, leading to visible raised specks. This can only have occurred during respraying. Similarly, there is a paint run visible on the image of the front wing arch extension.

I am satisfied that Volvo fairly applied charges in line with the BVRLA guidelines and that the repairs did not satisfy the '*good condition'* criteria in its RCS.

Mr P makes other submissions about the repairer he used and whether terms relating to what kind of business could complete the repairs are fair. He says that it shouldn't matter

whether he kept receipts for the repairs and that the repairs were completed to a high quality. He also makes submissions about the definitions of particular terms, including *'maintenance'* and *'approved supplier'.*

I do not consider that these matters have a bearing on my decision. As I have explained, regardless of who did the repairs I am satisfied that the repairs were not adequate, resulting in the vehicle being returned in a condition that did not meet BVRLA guidelines or those in the RCS provided by Volvo. I consider the charges to have been applied fairly. I also consider that the level of the charges for each area of damage are within the bounds of reasonableness. On this basis I do not uphold Mr P's complaint.

Clearly, if Mr P had a warranty for the work completed, he could seek redress from the repairer. Even if he does not have a warranty he may still choose to approach the repairer with his concerns. But this does not make a difference to the outcome of Mr P's complaint in relation to Volvo.

My final decision

I do not uphold Mr P's complaint, so it follows that I do not direct Santander Consumer (UK) Plc trading as Volvo Car Contract Hire to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 12 September 2024.

Sally Allbeury
Ombudsman