

The complaint

Miss L complains about being charged for damage and excess mileage after she returned a car she hired through Volvo Car UK Limited trading as Care by Volvo UK .

What happened

Miss L hired a car through Care by Volvo UK and after returning the car Miss L received a bill for damage costs and excess mileage charges. Miss L has referred to telephone conversations with Care by Volvo UK prior to handing the car back where she feels she was not correctly informed about requirements around repairing the car before it is returned. She says that if she was better informed she would not have incurred the repair costs and then the additional costs applied by Care by Volvo UK.

Miss L also believes she should have been told that she had exceeded the mileage limit so she could have amended the contractual mileage allowance before the agreement ended.

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.

First, I'm very aware that I've summarised what the parties have said and provided in far less detail. No discourtesy is intended by me in taking this approach. 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'm satisfied I don't need to comment on every individual argument to be able to reach what I think is a fair outcome.

Miss L hired the car from Care by Volvo UK and in return for making the monthly rentals she was granted use of the car. There were however conditions to that use and of particular relevance here are the conditions relating to the maximum permitted mileage and the condition of the car. In summary, Miss L was required to take reasonable care of the car and she was only allowed to drive the car up to 6,000 miles per year.

The terms of the hire agreement set out that if the mileage is exceeded and/or the car is returned damaged, Miss L would be liable for an additional charge. There seems to be no dispute the car was damaged and certain items were missing from the car when it was returned. I'll deal with the telephone call shortly, but putting that aside for one moment, I do not consider Care by Volvo UK has acted unreasonably in assessing the damage or applying the damage charges.

The inspection report highlights damaged areas of the car and these go beyond what would be considered fair wear and tear when considering the age and mileage of the car. It is reasonable to assume these areas will impact on the resale value of the car. It was still a relatively young car with low mileage and expectations of a potential buyer would in my view be high. It is reasonable to assume therefore that when identifying the issues raised here, they would impact on the resale value of the car, which would ultimately cause Care by

Volvo UK a loss. It is because of this that it does not seem unreasonable to me for Care by Volvo UK to seek to recover either the cost of repairing those areas, or what the likely loss will be if the car is sold without repair.

Miss L is unhappy about discussions she had with Care by Volvo UK before the car was returned. I should be clear that I have not listened to the specific calls Miss L refers to as there have been some technical issues getting the calls through to our service. However, there is no dispute about the content of those calls and I do not therefore consider it necessary to listen to the calls to reach a conclusion here.

Miss L is unhappy that she was told in the calls that she could get any damage repaired prior to the car being returned and this would save her money doing it this way. Miss L refers to not being made aware of the 'poor repair fee' and believes it is unfair that she is effectively being asked to pay for the repairs twice.

I do not think Care by Volvo UK acted unreasonably by informing Miss L that she could arrange her own repairs and that these could be cheaper than returning the car and then incurring repair costs. While I accept that Care by Volvo UK may not have explicitly set out to what standard the repairs needed to be, I think it is reasonable to assume that the expectation was that those repairs were done to a reasonable standard. As referred to above, the inspection report highlights the standard of repair was not at the required level as the preparation marks are clearly visible on the bodywork. Had the repairs been done to a better standard they would not have been noticeable, and Care by Volvo UK would not have therefore applied an additional charge for those repairs.

I understand that some historic repairs were arranged through Miss L's insurance policy and this was separate damage repairs to those referred to above. But where those repairs were not done to the required standard, it would have been reasonable in my view to expect Miss L to have raised that directly with the repairer at the time.

I appreciate Miss L is unhappy as she considers she is being asked to pay for the same repairs twice, but I do not consider Care by Volvo UK is being unreasonable when considering the quality of those prior repairs.

Care by Volvo UK has reduced the amount due by £234 which is the cost of refurbishing the three wheels but there are no grounds for me to instruct it to reduce the amount due further.

Miss L is also unhappy as she has been charged an excess mileage fee. As referred to above, the terms of the agreement set out the maximum permitted mileage each year and in this instance Miss L could travel up to 6,000 miles. The agreement sets out that an additional charge would apply if Miss L exceeded that. Miss L believes that she should have been notified when she exceeded the mileage allowance so that she could look to amend the contract terms and avoid the excess mileage charge.

Even if Miss L had been able to amend the contract terms this would have very likely incurred an additional cost to the remaining monthly rentals. But the maximum permitted mileage is set out in the agreement terms and I do not consider Care by Volvo UK should be required to monitor the mileage and inform Miss L when she reaches the maximum allowed. As Miss L has exceeded the maximum permitted mileage it is not unreasonable in my view for Care by Volvo UK to apply the excess mileage charge.

I fully appreciate why Miss L is unhappy about being charged the additional sums when returning the car, especially where she has incurred costs elsewhere when arranging repairs. However, for the reasons set out above, I do not consider Care by Volvo UK has ultimately acted unreasonably when applying the additional charges. I also do not consider

Miss L was misled or poorly informed in her discussions with Care by Volvo UK when talking about arranging her own repairs. It is for these reasons that I do not consider there to be grounds to uphold this complaint.

My final decision

My final decision is that I do not uphold Miss L's complaint against Care by Volvo UK.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 14 November 2023.

Mark Hollands
Ombudsman