

## **The complaint**

Mr B complains about end of contract charges when he voluntarily terminated his agreement with Marsh Finance Limited.

## **What happened**

In March 2022 Mr B was supplied with a car and entered into a credit agreement with Marsh Finance.

In September 2024 Mr B notified Marsh Finance that he wished to voluntarily terminate the agreement. The car was inspected and collected on 17 September 2024. A further inspection took place on 10 October 2024.

Mr B subsequently received an invoice for £1809.67 for damage to the car which was deemed beyond wear and tear.

Mr B disputed the charges and complained to Marsh Finance. Marsh Finance reviewed the charges and reduced the balance to £593.21.

Mr B remained unhappy and brought his complaint to this service.

Our investigator upheld the complaint. They said the charge for the tyre wasn't fair because all tyres had been reported as having depths of above 1.6mm in the first inspection report. They also said the charge for the chip in the windscreen wasn't fair because it was smaller than 10mm and wasn't in the driver's field of vision. The investigator said that the mark on the rear bumper and the tear in the roof lining weren't there when the car was collected. The investigator said that Marsh Finance should remove the charges and pay Mr B compensation of £150 for any distress and inconvenience caused.

Marsh Finance didn't agree. It said the crack in the windscreen would be an advisory on an MOT as it was in the driver's field of vision. It said the LHF tyre had a tread of 1.5mm which was deemed to be illegal. Marsh Finance said the tear in the roof lining and the chips in the bumper were unlikely to have been present at the point of supply as Mr B would've raised these issues at the time. Marsh Finance said that Mr B had covered 38,515 miles in the two years he'd had the car and should be liable for the damage caused to it whilst in his possession.

Because Marsh Finance didn't agree I've been asked to review the complaint.

## **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've reviewed the credit agreement. When the car was supplied to Mr B it was around 4 years old and had covered 46,500 miles. So, it's reasonable to expect that a car of this age and mileage would've more wear and tear than a brand-new vehicle at the point of supply.

I've reviewed the collection inspection report dated 17 September 2024. This shows the mileage of the car as 84,878 miles and states that all four tyres have depths greater than 1.6mm. The report doesn't note any damage to the windscreen, bumper or roof lining.

I've reviewed the inspection report dated 10 October 2024. This shows the mileage of the car as 85,015 miles. It identifies several items of damage. For the purposes of this decision I'll focus on the following items as the other charges have already been removed.

#### LHF tyre

The report dated 10 October 2024 states that the tread on the LHF tyre is 1.5mm and that a replacement tyre is required at a cost of £80.00.

The report dated 10 October 2024 conflicts with the report dated 17 September 2024, which found all tyres to have tread of more than 1.6mm.

If the LHF tyre tread had reduced to 1.5mm by the time of the inspection on 10 October 2024, I don't think this isn't something that Mr B can fairly be held responsible for, as he had already handed back the vehicle. I note that the vehicle had covered 137 miles in between the two inspections, so it's likely that this journey was the cause of the reduction in the tyre depth.

I'm therefore not persuaded that the charge for the LHF tyre is fair.

#### Windscreen

The BVLRA guidelines state that windscreens must be in a condition capable of passing an MOT. Any damage in excess of 10mm in the drivers line of vision, or in excess of 40mm in the area covered by the wiper blades is unacceptable.

I've reviewed the photo of the windscreen in the report dated 10 October 2024. The damage isn't greater than 10mm and doesn't appear to be in the drivers line of vision. I'm therefore of the opinion that the damage is acceptable within the guidelines and the charge should be removed.

#### Rear bumper

The report dated 10 October 2024 states that the bumper is chipped. The BVLRA guidelines state that chips of 3mm or less in diameter are acceptable if they are not rusted.

I've reviewed the photo of the bumper in the report. The chip measures more than 3mm so on the face of it the damage appears to fall outside of wear and tear.

However, Mr B has provided this service with a photo of the car – including the bumper – which was taken on the day the car was collected. The photo clearly shows that the mark on the bumper wasn't there when the car was collected.

This service asked Marsh Finance to comment on this but didn't receive a response.

Given the time period between the two inspections and the mileage covered by the car between the two inspections, it therefore seems more likely that the bumper was damaged during the period between the first and second inspection. I'm therefore of the opinion that the charge for the damage to the bumper should be removed.

#### Roof lining

The report dated 10 October 2024 identifies a hole in the roof lining. This is said to require a specialist repair at a cost of £60.

Mr B has told this service that the hole wasn't there when the car was collected.

There's nothing on the first inspection report dated 17 September 2024 to indicate a hole in the roof lining.

As above, I've had regard to the distance the car has travelled between the two inspections. On balance, and on the basis of the available evidence, I'm not persuaded that the damage to the roof lining was present when Mr B handed back the car. So I think the charge should be removed.

### **Putting things right**

I've explained above why I think the remaining charges should be removed.

Mr B has been caused distress at being asked to pay for damage charges which weren't fairly charged. He's also been worried about the impact on his credit file.

Marsh Finance Limited should:

Remove all the charges

Pay £150 compensation for distress and inconvenience

Remove any adverse information from Mr B's credit file

### **My final decision**

My final decision is that I uphold the complaint. Marsh Finance Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 June 2025.

Emma Davy  
**Ombudsman**