

The complaint

Mr W complains about the charges that STARTLINE MOTOR FINANCE LIMITED (Startline), applied when he handed back a car he had acquired under a hire purchase agreement.

When I refer to what Mr W and/or Startline said or did, it should also be taken to include things said or done on their behalf.

What happened

In October 2023, Mr W entered into a hire purchase agreement with Startline to acquire a used car that was first registered in March 2014. The cash price of the car was £5,754. The agreement consisted of 40 monthly repayments of around £145.64 followed by one final repayment of £155.64. And the car mileage on delivery was approximately 84,264 miles.

In March 2025, Mr W requested to exercise his right of voluntary termination. On the 10 March 2025, the car was collected and on 16 April 2025 Mr W received a bill for £419 for damages beyond fair wear and tear. Mr W said he appealed two of the charges:

- Rear Bumper Dented, valued £180;
- QTR panel near side dented, valued £180.

Mr W said he felt that these damages would be within the category of fair wear and tear. And asked Startline to reduce the damage charge to £250.

In May 2025, Startline wrote to Mr W. In this correspondence they said the auction house inspection found £1,356 of damages that were attributed to the car, which they said they reduced to £419. Startline said Mr W was liable for the following:

- Wheel OSR Scratched - £59;
- Bumper Rear Dented - £180;
- QTR Panel NSR Dented - £180.

Startline said that Mr W initially contested the rear bumper damage and quarter panel damage as he considered this “fair wear and tear”. However, they said they advised Mr W that they had already drastically reduced the total damages amount due and agreed to reduce to total liability to £356.16. As such they said, they reviewed the images from the auction house’s damage report, and they said they cannot agree that those dents were considered fair wear and tear. Startline said they consider the offer to bring the total liability down to £356.16 to be a more than fair offer, and therefore are not upholding Mr W’s complaint.

Mr W remained unhappy, so he referred his complaint to the Financial Ombudsman Service (Financial Ombudsman).

Our investigator thought Startline did not act unfairly and the £356.16 charge for damages was fair. As such, the investigator did not think it was reasonable to ask Startline to do anything further.

Mr W disagreed with the investigator, so, the complaint has been passed to me to decide.

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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, good industry practice, the law and, where appropriate, what would be considered good industry practice at the relevant time. Mr W acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at these sorts of agreements. Startline is the supplier of goods under this type of agreement and is responsible for dealing with complaints about their quality.

I have summarised this complaint briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focussed on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

I know that Mr W is unhappy about certain actions/inactions of the supply dealership/broker. He told us that about issues with the interest rate and affordability of the credit agreement, plus he was unhappy with the car quality. Startline might be responsible for some of these. However, I can only consider actions/inactions of Startline and only the aspects they are responsible for, so I cannot look at certain actions and/or inactions of the dealership/broker which Mr W might be unhappy about. As such, in this decision I only focused on the aspects I can look into. Furthermore, I am only looking at the events that have been raised by Mr W with Startline, the ones they had an opportunity to address up to an including the final response correspondence they issued to him in May 2025.

Mr W acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at complaints about these sorts of agreements. Mr W's agreement with Startline sets out that he needs to keep and maintain the car in a good state of repair and condition.

When reaching my decision, I'm required to consider relevant industry guidance. Here, relevant guidance includes the guidelines on fair wear and tear published by the trade body, the British Vehicle Rental & Leasing Association (BVRLA) guidelines. This guidance is generally intended for new cars that have been returned at the end of their first finance agreement, so it is used mainly to consider damage to cars that are a few years old. But it can also be used for older cars, where the age of a car and the number of miles it has covered are taken into account, when considering what would be deemed fair wear and tear.

I've also considered that the BVRLA guidance is just that - guidance. While I take it into consideration, I also need to reflect on what is fair and reasonable in this specific situation and what the credit agreement stipulates. As such, I think it is fair that any damage is assessed by considering whether it is reasonable to expect this type of damage, given the car's age and mileage.

The car was around nine years and seven months old when Mr W acquired it. It had travelled approximately 84,264 miles and had a cash price of £5,754. When Mr W handed back the car in March 2025, it was approximately eleven years old and had travelled around 109,091 miles. So, I've taken all of this into consideration when reviewing the damage inspection report, which was done after the car was collected. In deciding whether Startline have acted fairly in relation to each charge, I've taken into consideration the terms and conditions of the hire purchase agreement, BVRLA's guidelines, as well as the age and mileage of the car when it was returned.

As I mentioned above, when Mr W handed back the car in March 2025, it was approximately 11 years old and had travelled around 109,091 miles, so I would expect the level of what is considered fair wear and tear to be greater than if Mr W had taken out finance on a brand-new car. From the evidence on file, I can see that there was a lot of damage to the car and the auction that inspected the car noted damage up to a total of £1,356. However, I have seen that Startline assessed this report in line with the BVRLA guidelines and reduced the chargeable damage amount to £419. I considered this was fair and reasonable on their part based on the mileage and the age of the car.

In May 2025 Startline's correspondence said that Mr W was liable for the following:

- Wheel OSR Scratched - £59;
- Bumper Rear Dented - £180;
- QTR Panel NSR Dented - £180.

The above damage was reduced further to £356.16. Startline have not provided a breakdown to explain exactly which of the three above charges they were reducing, so I considered all three below when deciding if the original amounts they intended to charge were fair and reasonable.

Wheel OSR Scratched - £59

The BVRLA guidance sets out that dents on wheel rims and wheel trims are not acceptable. Scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable. They also say that any damage to the wheel spokes, wheel fascia, or hub of the wheel/alloy is not acceptable and there must be no rust or corrosion on the alloy wheels/wheel hubs.

From the report I see there are a lot of scuffs and some are very wide and deep, which are more than 50mm on the total circumference. There is also a sizable dent in one spot. I think, most likely, these damages are more than fair wear and tear considering the circumstances.

Bumper Rear Dented - £180 and QTR Panel NSR Dented - £180

The BVRLA guidance sets out that surface scratches of 25mm or less, where the primer or bare metal is not showing are acceptable, provided they can be polished out and provided that there is a maximum of up to four surface scratches on one panel.

From the report I see that on the bumper there are a few scratches and some most likely greater than 25mm. I can also see that there are also more than four chips. Some of the chips and scratches look like ones where the primer is, most likely, showing. Hence, I think these would be outside of what would be deemed reasonable fair wear and tear considering the circumstances.

Regarding the NSR quarter panel, I think this too had damage that would be outside of what would be deemed reasonable fair wear and tear considering the circumstances. I say this

because there is more than one dent and of a significant size. There are scuffs and scratches that are visible through the paint, and I can see bare metal and primer showing. These could not be polished out.

I think, most likely, all three of the above damages exceed what would be considered fair wear and tear in the circumstances. As such, I'm satisfied it is fair and reasonable for Startline to charge for these damages a total of £356.16. When considering all of the above I kept in mind that Startline have also already reduced the chargeable damage amount from £1,356 to £419 and later, further to £356.16. In addition, I have not seen enough evidence to be able to say that, most likely, the actual charges they now want to charge Mr W seem unreasonable.

I appreciate that this is not the outcome Mr W hoped for, and I want to express my sympathy for the position he is in, as I know it has been a difficult time for him. However, I have not seen enough evidence to be able to say that, most likely, Startline needs to take any further action in relation to his complaint.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 January 2026.

Mike Kozbial
Ombudsman