

The complaint

Mr T complains about end of contract charges when his agreement with N.I.I.B Group Limited trading as Northridge Finance ended.

What happened

Mr T was supplied with a car and entered into a finance agreement with Northridge. In September 2024 at the end of the agreement the car was collected and inspected.

When the car was collected Mr T was handed a document which led him to believe that no damage had been noted.

In December 2024 Mr T received an invoice for damage charges of around £450. Mr T contacted Northridge and following a discussion the charges were reduced to around £200.

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

Our investigator didn't uphold the complaint. He said the damage identified in the inspection report fell outside of the BVLRA guidelines and that Northridge hadn't acted unreasonably in raising the charges.

Mr T didn't agree so 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 know it will disappoint Mr T, but I agree with the investigator's opinion. I'll explain why.

The terms and conditions of the agreement say that Mr T must return the car in good condition and that any damage which exceeds fair wear and tear is the customers responsibility.

Fair wear and tear guidelines have been issued by the BVLRA. These guidelines are accepted as an industry standard in determining whether damage exceeds fair wear and tear. I've relied on these guidelines to help me decide whether the charges are fair and reasonable.

I've looked at the inspection report including the photographs. Looking at the damage identified. I'm satisfied that each item of damage identified exceeds acceptable wear and tear with reference to the BVLRA guidelines. Based on what I've seen, I think the charges have been applied fairly.

I've taken into account what Mr T has said about being under the impression that the car had been inspected at the point of collection and no damage had been found. I've reviewed the collection form. The damage section has been left blank. However, I don't think this can be relied upon to say that there was no damage to the vehicle. The collection inspection is a

very brief inspection to make sure that the vehicle is roadworthy and in a satisfactory condition to be collected and transported. It isn't until a more detailed inspection is carried out that items of specific damage can be identified. It is these specific items of damage which have been identified in the inspection report.

I do understand how frustrating it must've been for Mr T to receive notification of the damage charges around three months after the vehicle was collected. In its final response, Northridge said it had sent a letter to Mr T about the damage in October 2024. Mr T has said he didn't receive this letter. I've reviewed the system notes to see which address the letter was sent to and it was Mr T's registered address. So, I can't say why Mr T didn't receive the letter but it doesn't appear to be as a result of an error by Northridge.

Mr T has said that Northridge's willingness to reduce the charges by 50% demonstrates a lack of confidence in its position. I've thought about this and whilst I can't be certain as to the motivation behind the reduction, I don't agree with Mr T's analysis. I haven't found any evidence to suggest that Northridge's contractual position in relation to the damage charges is questionable. It's not uncommon for a business to reduce charges of this nature for purely commercial reasons, in an effort to resolve a dispute swiftly.

Based on everything I've seen, I'm unable to say that Northridge has acted unfairly or unreasonably by charging for the damage. I'm therefore unable to uphold the complaint.

Finally, Mr T has raised an issue regarding his DSAR. This wasn't something that Mr T raised in his initial complaint to Northridge, so they haven't had the opportunity to investigate this yet. Mr T will need to raise the DSAR issue as a separate complaint to Northridge and allow them to investigate and issue a response. If Mr T isn't happy with the outcome he can bring the complaint to this service.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 October 2025.

Emma Davy
Ombudsman