

### **The complaint**

Mr G complains about end of contract charges when he voluntarily terminated his agreement with Specialist Motor Finance Limited (SMF).

### **What happened**

In April 2023 Mr G was supplied with a used car and entered into a hire purchase agreement with SMF. Mr G agreed to pay monthly repayments of £199.01 over a period of 53 months followed by a final instalment of £209.01.

In March 2025 Mr G voluntarily terminated the agreement. The car was inspected and SMF sent a damage rectification letter to Mr G in April 2025 which said that Mr G had a liability of £600.00 in respect of a dent in the door and a cracked windscreen.

Mr G disputed the charges. He said he'd returned the car in good condition and felt the charges were excessive and unjustified. He complained to SMF.

SMF didn't uphold the complaint. In its final response dated 15 May 2025 it said the type and extent of damage to the door fell outside of what would be considered to be wear and tear. It said the severity of the crack in the windscreen meant that the windscreen had to be replaced. SMF said the charges were correct.

Mr G wasn't happy with the outcome and brought his complaint to this service.

Our investigator did not uphold the complaint. He said that the damage went beyond fair wear and tear and that SMF had acted in line with the terms of the agreement and the relevant guidance.

Mr G 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 G, but I agree with the investigator's opinion. I'll explain why.

The terms and conditions of the agreement state that Mr G must return the car in good condition and that any damage which exceeds fair wear and tear is his responsibility. This was confirmed to Mr G in the voluntary termination letter dated 14 March 2025.

When Mr G returned the car it was inspected by G3. I've reviewed the inspection report including the photos. The report identifies several areas of damage but only two items of damage have been charged for these being the OSF door and the windscreen.

SMF have charged Mr G for the damage on the basis that the damage exceeds fair wear and tear.

Fair wear and tear guidelines have been issued by the BVLRA and these are accepted as a industry standard when it comes to deciding whether damage exceeds fair wear and tear.

I've carefully reviewed the inspection report. The OSF door is badly dented and has a scratch exceeding 8cm. the windscreen is severely cracked.

Mr G has said that there was a dent on the door when he purchased the car and that he replaced the panel himself during his ownership. However, that being as it is, there is a visible dent and a visible scratch on the door on the photos in the inspection report, so it seems that this damage was incurred whilst the car was in Mr G's possession and after he replaced the panel. And the extent of the damage is beyond fair wear and tear, so its Mr G's responsibility to pay for the repairs.

Based on what I've seen, and having regard to the guidelines, I'm of the view that the damage to the door and windscreen exceeds fair wear and tear and is therefore chargeable.

I appreciate that Mr G feels that the charges are excessive. I've reviewed this, But I don't think the charges are out of line with what is charged across the industry for this type of damage. I haven't seen anything to suggest that the charges are excessive or unfair.

Taking everything into account, I'm satisfied that the damage exceeds fair wear and tear and that SMF is allowed to charge for this in line with the terms and conditions of the agreement.

### **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 G to accept or reject my decision before 30 December 2025.

Emma Davy  
**Ombudsman**