

The complaint

Mrs C complains about end of contract charges when she returned her car at the end of a hire purchase agreement provided by CA Auto Finance UK Ltd ("CA Auto").

What happened

In December 2021, Mrs C acquired a used car using a hire purchase agreement with CA Auto. The agreement was for 49 months.

When the agreement came to an end, Mrs C handed the car back and it was inspected for damage in April 2025. Mrs C was told that she would have to pay around £650 in total for damage to the car. The amount Mrs C was charged was later reduced to around £340, as CA Auto thought they had wrongfully charged for some items, such as damage to alloy wheels as well as to a gear lever.

Mrs C, unhappy with the remaining charges, complained to CA Auto.

CA Auto responded to Mrs C in November 2025 and said they didn't uphold her complaint. They explained why they felt the charges applied were outside of fair wear and tear guidelines.

This meant the remaining charged damages and costs consisted of:

<i>Rear Bumper - Scuffed</i>	£53.00
<i>V5C – Missing</i>	£25.00
<i>Front Screen – Scratched</i>	£263.03
TOTAL	£341.03

Mrs C, unhappy with CA Auto's response, referred her complaint to our service. She said the car was collected, inspected, and signed over without any issues raised.

Our investigator found that CA Auto had charged fairly for the damages and missing items to the car, and so, didn't uphold Mrs C's complaint.

Mrs C disagreed. Among other things, Mrs C didn't think it was fair that charges were applied when no damage was found during the inspection.

As Mrs C disagreed with the investigator's findings, the complaint was 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.

Having done so, I'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mrs C complains about a car supplied to her under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mrs C's complaint about CA Auto.

Mrs C was charged for several things, so I'll consider these in turn. But I've firstly thought about whether CA Auto could charge her for damage or for missing items that were supplied with the car. Looking at the agreement she took out, it says in relation to when it comes to an end, Mrs C must pay for the following charges, if they apply:

"... The costs of your failure to take Reasonable Care of the Goods..."

"Reasonable Care" is explained in the agreement, and it says it means that Mrs C has:

"... Maintained them in good condition..."

Maintained and kept in your possession all keys, V5 registration form...

Not done anything that might affect us recovering the typical market value of the Goods..."

So, considering this, I think Mrs C agreed to return the car in a good condition and she agreed to be charged if this wasn't the case. I'm also satisfied that CA Auto can fairly charge if the condition of the car means it might affect them recovering the typical market value of it.

I'll go on to consider if the charges were fairly applied. And in doing so, I've considered the British Vehicle Rental and Leasing Association ("BVRLA") guide to fair wear and tear as I think this is a useful benchmark when considering what is fair and reasonable in relation to end of contract charges such as those that CA Auto has applied here.

In relation to the rear bumper, the BVRLA says:

"Scuffs and scratches of 25mm or less are acceptable..."

The photo supplied in the inspection report shows a large scratch, covering two panels of the bumper and moulding, which appear to be over 25mm in length. I'm satisfied that, given what the BVRLA says, that this falls outside of normal wear and tear, and it follows that I think CA Auto has fairly charged Mrs C for it.

In relation to the front windscreen, the BVRLA says:

"Light scratching is acceptable provided it does not interfere with the driver's line of sight..."

Damage in excess of 10mm in the driver's line of vision, or in excess of 40mm elsewhere in the area swept by the vehicle's wiper blades, is not acceptable..."

Having seen the photo supplied from the inspection of the front windscreen, I can see a large sweeping scratch across the middle of the windscreen, where the wiper blades would sweep. A ruler is placed nearby to the scratch, and it shows that it is around 100mm in length. I'm satisfied this falls outside of fair wear and tear and it follows that I think CA Auto has fairly charged Mrs C for it.

In relation to the V5C missing document charge, the BVRLA says:

“All vehicle documentation must be intact and present in the vehicle when it is returned including the V5C vehicle registration document...”

Having seen the inspection report, it says the V5C document was not available. I have inferred from the report that it wasn't present in the car and hadn't been supplied. And so it follows that I think CA Auto has fairly charged Mrs C for it.

Mrs C has said that she doesn't think it is fair that the car was handed over with no issues identified, only for it to have been inspected again at a different site. While I appreciate Mrs C's concerns here, I don't think CA Auto has done anything wrong, and it is common practice for a car to be on occasions inspected offsite. And given the time between when the car was collected and between the offsite inspection, I'm not satisfied that the damage to the car and/or missing items occurred while the car wasn't in Mrs C's possession.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require CA Auto Finance UK Ltd to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 10 March 2026.

Ronesh Amin
Ombudsman