

The complaint

Mr B complains that Mercedes-Benz Financial Services UK Limited (MBFS) overcharged him for damage to a car he returned at the end of a finance agreement.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute so instead I'll focus on giving the reasons for my decision.

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 agree with the conclusions reached by the investigator for the following reasons:

Mr B signed an agreement under which he was responsible for any damage to the car which went beyond fair wear and tear. MBFS set out in broad terms what it deemed to be acceptable. This is in line with the British Vehicle Rental and Leasing Association's guidelines.

I can understand Mr B's frustration since the car was subject to an initial inspection at his property at which only some damage was identified and he took this to mean that he would not have any charges to pay. However, the car was subject to a second inspection at the de-fleet centre under conditions which allowed a number of dents and scratches to be seen. MBFS told Mr B that the car could be subjected to a second inspection.

Our investigator has explained why she considered all but one of the areas of damage to be chargeable and having reviewed both sets of photographs I find myself in agreement. Obviously I was not present at either inspection and so I have to base my judgement on the two inspection reports.

The left hand front alloy wheel has damage to a spoke and in line with the terms and conditions of the contract this is deemed to be chargeable. I do not believe this to be a mark which could have been wiped away as suggested by Mr B.

I also consider the dent to the left-hand front door to be chargeable. Having looked at the photographs I am satisfied that it is greater than 15mm and so it falls outside what is deemed to be fair wear and tear.

The inner right-hand rear door dent wasn't picked up on the first inspection, but I can see that it is damaged. It seems most unlikely that this dent was made in the very short period between the two inspections. It is more likely to have occurred during the lease period which ran for several years and therefore I consider it should be chargeable.

The left-hand quarter panel is also dented and this was picked up in both inspections. It is

relatively short, but it falls on the swage line and I am satisfied that there is some damage to the paint. As such it is chargeable.

Finally, I agree that the damage to the right-hand front alloy wheel is due to fair wear and tear and so is not chargeable.

MBFS has offered to reduce the charge by 10% to compensate for delays in responding to Mr B and I consider that to be fair.

Putting things right

MBFS should reduce the charges as set out below.

My final decision

My final decision is that I uphold this complaint in part and I direct Mercedes-Benz Financial Services UK Limited to remove the charge for damage to the right-hand front wheel and to apply a 10% reduction to the final bill.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 June 2022.

Ivor Graham
Ombudsman