The complaint

Mr B is unhappy with charges applied by Mercedes-Benz Financial Services UK Limited ('MBFS') at the end of his car finance agreement.

What happened

Mr B had a car finance agreement with MBFS. But, after returning the car at the end of the agreement, MBFS applied a number of charges. All of these were later removed, except a charge of £62 for a real panel, and £457 for a charging cable.

Mr B's position was that he was told by the dealership that he could keep the cable, as it was no longer one used by Mercedes. Further, he said a pre-collection inspection report wasn't carried out.

MBFS, on the other hand, said that Mr B was contractually obliged to return original items provided with the car, including charging cables. Further, there was no evidence Mr B had been told he didn't need to return it.

One of our investigators looked into what had happened. He could see that since the complaint was referred to our service, MBFS had agreed to remove the £62 charge for the rear panel as a resolution, but Mr B hadn't accepted this. Our investigator agreed with Mr B, and thought that the £457 charge should also be removed.

As MBFS disagreed, the complaint's been passed to me.

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 upholding it, as I think it's fair that both of the charges are removed. I'll explain why.

As regards the £62 rear panel charge, this no longer appears to be in dispute. But I will address it, for completeness. It's clear the issue with the rear panel was connected to the factory-fitted tow bar. So, Mr B should not have to meet this cost, as the issue was not of his making.

This leaves the£457 charge for the missing charging cable. I accept there's no written evidence of what Mr B says he was told about not needing to return the cable, although I have no reason to doubt his testimony. I also accept that the contract required him to return all original items, and this included the cable. But, equally, it's clear that MBFS should have carried out the inspection. It failed to do so. Had it done, there would now be no issue. I say this, because Mr B would have been present at the inspection. It would have noted the cable was missing, so Mr B could have had the opportunity to return it. However, it's now too late for him to do so.

On balance, I think Mr B's position was jeopardised by MBFS not carrying out the appropriate inspection. And, it would be unfair for him now to be penalised for this.

Putting things right

To put things right, MBFS should remove both the £62 and £457 charges.

My final decision

It’s my final decision to uphold this complaint. I require Mercedes-Benz Financial Services UK Limited to take the action set out above, in the section entitled ‘Putting things right’.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 5 August 2025.

Elspeth Wood
Ombudsman