

The complaint

Mrs N complains about charges Mercedes-Benz Financial Services UK Limited (MBFS) have asked her to pay for damage to a car that she returned and had been financing through an agreement with them.

What happened

I issued a provisional decision on this complaint in February 2025. An extract from that provisional decision is set out below.

Mrs N took receipt of a used car in April 2021 and financed the deal through a hire purchase agreement with MBFS. The car was five years old.

When the car was returned in June 2024, the inspector noted some damage that was believed to be outside of normal wear and tear. MBFS subsequently charged Mrs N £2,714.62 to cover that damage.

Mrs N didn't think that was fair and she referred her complaint to this service. Our investigator reviewed the inspection photographs and discussed matters with MBFS who agreed that some charges weren't evidenced. But MBFS didn't agree to remove all of the charges and they asked for a decision to be made by an ombudsman.

What I've provisionally 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 agree with much of what has been said by our investigator, but I don't agree with her view on a few of the charges that remain in dispute, so I'm issuing a provisional decision and will consider any further comments that are made by the parties.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mrs N acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The terms of the finance agreement held Mrs N responsible for keeping the car in good condition. She would be responsible for any damage if the car wasn't returned in the correct condition.

The industry guidelines for what is considered fair wear and tear when vehicles are returned

at the end of their lease, is provided by the British Vehicle Rental and Leasing Association (BVRLA). MBFS have their own Vehicle Return Standard (VRS) and although MBFS aren't members of the BVRLA I think it's only fair to consider that standard in tandem with the VRS when considering if the damage in the inspection reports can fairly be considered to be beyond normal wear and tear and therefore chargeable.

It's accepted that some of the damage listed in the invoice MBFS sent Mrs N in June 2024, hasn't been adequately evidenced. I won't, therefore, reconsider those charges. The charges that remain are as follows:

Area	Damage	Initial Charge	Revised Charge	Disputed?
Windscreen	Chipped	£355	£32	No
LHF Alloy	Rim damage	£110	0	Yes
RHF alloy	Rim damage	£110	0	Yes
LHR alloy	Rim and hub	£110	0	Yes
RHR alloy	Spoke damage	£110	0	Yes
RHR tyre	Replaced	£149.22	£149.22	Yes
RHF bumper	Insecure	£35	0	No
LHF sill cover	Insecure	£35	£35	No
Bumper moulding	Scratch	£70	£70	No
LHF bumper	Insecure	£35	£35	No
Rear bumper	Scratch	£210	£210	No
LHF door seal	Torn	£97	£97	No
RHF door seal	Torn	£97	£97	No
LHR door	Dent	£260	£260	No
LHR quarter panel	Scratch	£170	0	Yes
Parcel shelf	Missing hinge	£581	0	Yes
RHR door shut	Dent	£130	0	Yes
Steering column	Air freshener damage	£50.40	0	No
Total		£2,714.62	£985.22	

Alloy damage to four wheels

The BVRLA guidance says that scuffs up to 50mm on the circumference of the wheel rim are acceptable and that there should be no damage to the wheel spokes, wheel fascia or hub. The VRS says the same.

I think all four wheels show damage that is in excess of this standard. Our investigator thought it was more likely that the damage occurred before Mrs N took receipt of the car. They noted that the car was five years old when supplied and that there was no pre-delivery inspection report supplied. MBFS have explained that this car was supplied by a Mercedes Benz dealership and from their used approved vehicle fleet. I think it's highly unlikely that a car supplied under that programme would have pre-existing damage of the type that is shown in the inspection photographs and I think it likely Mrs N would have complained about such damage had it been apparent at that time. It follows that I don't think the charges MBFS have levied for this damage is unfair.

RHR tyre

The BVRLA says there must be no damage to the sidewalls or tread, or any cracking. The

VRS says that any gouge, crack, cut, torn or plugged tyre side wall is not acceptable.

The tyre is cracked, and I don't think the charge was unreasonable. I note that Mrs N has explained she asked the dealership to change it for her, but I've not seen any further evidence to corroborate that testimony.

LHR quarter panel

The BVRLA guidance says that scratches of 25mm or less where the primer or bare metal is not showing are acceptable. The VRS says the same.

Having reviewed the inspection photographs I don't think they evidence that this scratch has penetrated the base layer or that it is more than 25mm. I don't think the charge is fair.

Parcel shelf

The BVRLA says that parcel shelves should be returned with the vehicle and the VRS states that broken or damaged parcel shelves and load covers will not be accepted. I don't think the VRS conditions are unreasonable as I accept that a broken shelf could affect the resale value. The shelf is missing a hinge and MBFS have agreed to amend the charge to £366.07 as they say that's what a new shelf would cost them. It's unclear why that wasn't the charge that Mrs N was asked to pay as I wouldn't expect MBFS to add any margin to the replacement and there would appear to be minimal fitting costs. MBFS say that a repair wasn't possible but having reviewed the internet it's clear parts are available. They may not be original equipment parts, but this car was about eight years old by the time it was returned and I don't think it is reasonable to suggest the shelf should be replaced. I think the charge should be reduced to £50 to reflect the likely cost of a repair.

RHR door shut

The BVRLA guidance says that dents of 15mm or less in diameter are acceptable provided there are no more than two per panel and the paint surface is not broken. When MBFS provided their final response to Mrs N they explained that the VRS states:

"Scuffs, scratches or dents to the door pads, door shuts, doorframes or centre console and instrument panels aren't acceptable".

They have subsequently explained that the damage is through the topcoat and should be chargeable.

The photographs show two dents to the panel. There is no ruler in the photograph so it's difficult to establish whether the dents are beyond the BVRLA or VRS size standard and I'm not persuaded they show the topcoat has been penetrated. I don't think the charge is reasonable.

It's for the reasons I've given above that I think MBFS should amend the invoice to reflect the charges listed in the provisional decision column in the following table:

Area	Damage	Initial Charge	Revised Charge	Provisional Decision
Windscreen	Chipped	£355	£32	£32
LHF Alloy	Rim damage	£110	0	£110
RHF alloy	Rim damage	£110	0	£110
LHR alloy	Rim and hub	£110	0	£110

<i>RHR alloy</i>	<i>Spoke damage</i>	<i>£110</i>	<i>0</i>	<i>£110</i>
<i>RHR tyre</i>	<i>Replaced</i>	<i>£149.22</i>	<i>£149.22</i>	<i>£149.22</i>
<i>RHF bumper</i>	<i>Insecure</i>	<i>£35</i>	<i>0</i>	<i>0</i>
<i>LHF sill cover</i>	<i>Insecure</i>	<i>£35</i>	<i>£35</i>	<i>£35</i>
<i>Bumper moulding</i>	<i>Scratch</i>	<i>£70</i>	<i>£70</i>	<i>£70</i>
<i>LHF bumper</i>	<i>Insecure</i>	<i>£35</i>	<i>£35</i>	<i>£35</i>
<i>Rear bumper</i>	<i>Scratch</i>	<i>£210</i>	<i>£210</i>	<i>£210</i>
<i>LHF door seal</i>	<i>Torn</i>	<i>£97</i>	<i>£97</i>	<i>£97</i>
<i>RHF door seal</i>	<i>Torn</i>	<i>£97</i>	<i>£97</i>	<i>£97</i>
<i>LHR door</i>	<i>Dent</i>	<i>£260</i>	<i>£260</i>	<i>£260</i>
<i>LHR quarter panel</i>	<i>Scratch</i>	<i>£170</i>	<i>0</i>	<i>0</i>
<i>Parcel shelf</i>	<i>Missing hinge</i>	<i>£581</i>	<i>0</i>	<i>£50</i>
<i>RHR door shut</i>	<i>Dent</i>	<i>£130</i>	<i>0</i>	<i>0</i>
<i>Steering column</i>	<i>Air freshener damage</i>	<i>£50.40</i>	<i>0</i>	<i>0</i>
Total		£2,714.62	£985.22	£1,475.22

My provisional decision

I'm expecting to partially uphold this complaint and to ask Mercedes-Benz Financial Services UK Limited to put things right in the way I've set out above.

The parties' responses to my provisional decision

MBFS didn't provide any further comments or evidence for me to consider but Mrs N did. She said that the car was always parked in an open space and that it remained in the same condition as when she took receipt of it. She wanted clearer evidence of the damage MBFS claimed was present and she explained that she complained about the tyres when she bought the car but was told that they were wearable items. She said it was unfair for MBFS to charge £110 for each alloy; she thought that demonstrated a blanket approach and not an assessment of the actual damage and repair cost.

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.

While I understand Mrs N's strength of feeling about these charges, I don't think I have sufficient evidence that those I highlighted as being fair in my provisional decision, are not. While I can see from the photograph Mrs N has provided, that the car was parked in a reasonably open area, it was also driven, and the sort of damage that is shown to the alloys is consistent with scuffing that would be incurred when the car hit a kerb or other object. I don't think MBFS's charges are unfair for the alloys. They seem in line with other similar charges I have seen in similar cases, levied by other businesses, for similar damage. I don't think it unusual that the charges are the same for each wheel as I think it likely any repair of that type will be to refurbish the whole alloy and the extent of the damage wouldn't, therefore, impact the charge. Mrs N hasn't been able to provide any further evidence to support her testimony about what she was told about the tyres before the car was hired. I don't think I have sufficient evidence to suggest the damage to the tyre was pre-existing. The car has been driven and further wear will have been incurred since the point of supply. The inspection photographs have been clear enough for me to be able to make a proper assessment of whether the charges were in excess of the relevant guidance. I don't think

MBFS need to provide any further evidence in support of that damage.

As I haven't been provided with sufficient evidence to change my provisional decision, that provisional decision now becomes my final decision on this complaint.

My final decision

For the reasons I've given above, I partially uphold this complaint and tell Mercedes-Benz Financial Services UK Limited to put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 15 April 2025.

Phillip McMahon
Ombudsman