

The complaint

Ms L complains about the digital services she purchased, in relation to a vehicle that was supplied through a hire purchase agreement with Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance (MBFS).

What happened

In September 2024, Ms L acquired a car through a hire purchase agreement with MBFS. The cash price of the car was £35,395. A deposit of £5,000 is listed, so the total amount financed on the agreement was £30,395 payable over 48 monthly repayments of £378.84 with a final optional purchase payment of £17,100.

In October 2024, Ms L complained about '*significant and repeated faults*' with her car which she said rendered it unfit for purpose and requested that it be rejected. She also complained about the mishandling of her data.

To resolve matters Ms L said she wanted:

- a full refund of the vehicle purchase price.
- a refund for all associated extras purchased with the vehicle.
- a full written apology and assurances that her personal data is processed in accordance [with] UK GDPR

In November 2024, MBFS issued their final response which they didn't uphold. In summary, it said that issues relating to incorrect vehicle details on correspondence from the dealership, didn't amount to a fault with the vehicle and so they wouldn't consider rejecting it. It said issues about incorrect address information had been corrected, however any concerns about it should be directed to the relevant department that generated the correspondence.

Unhappy with their decision, Ms L brought her complaint to our service where it was passed to one of our Investigators to look into.

In January 2025, Ms L told the Investigator that the vehicle was returned through a rejection with the dealership; although she still wished to pursue her concern about not receiving a refund for the digital extras she purchased with the car.

In an email to the Investigator dated in March 2025, Ms L said she'd suffered financial loss, and experienced significant distress and inconvenience; and to resolve the matter she wanted to receive a full refund of the amounts paid with associated interest and compensation for the distress and inconvenience caused.

In April 2025, Ms L told the Investigator that a complaint she raised with the Information Commissioner's Office (ICO) about the mishandling of her data was upheld.

In May 2025, the Investigator issued their assessment recommending that Ms L's complaint should not be upheld. In summary, the Investigator didn't think there was enough evidence to say the car was faulty when it was supplied. The Investigator didn't think MBFS were liable for any consequential losses as a result of the car being returned, as it was arranged

through the dealership and there was no evidence that it was returned due to it being of unsatisfactory quality.

Ms L didn't accept the Investigator's assessment. She responded to say that the digital content was included on the contract of sale and became unusable once the vehicle was sold.

The Investigator responded to say the data services were activated after supply and didn't form part of the agreement and so their opinion remained unchanged.

As Ms L hadn't accepted the Investigator's assessment, the case has been passed to me to make a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Ms L has made some submissions as part of her complaint to our service. I've read the whole file and have considered all that it has said, 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.

Ms L complains about a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Ms L's complaint about MBFS.

In an email to the Investigator dated in January 2025, Ms L confirmed that her complaint was related to MBFS' refusal to refund the digital extras she purchased with the vehicle. Ms L confirmed this again in a further email to the Investigator in June 2025. Having considered this, I've not focused on any issues relating to the quality of the vehicle, although I may refer to it, I've considered whether MBFS have acted fairly by not refunding the cost of the digital extras Ms L purchased with the vehicle.

Ms L said she believed the digital services formed an integral part of the contract and vehicle functionality. I've thought about this carefully, and although I recognise the functionality of the digital extras would have enhanced the overall experience of the car, I wouldn't consider they were integral to the mechanical or basic operation of it. For example, I've considered that they were digital optional extras, additions to the basic operations of the vehicle.

I've reviewed the hire purchase agreement that Ms L entered into, and I can't see that the digital extras formed part of the financial information, or general terms of the agreement. So, I think it's reasonable to conclude that the digital extras did not form part of the hire purchase agreement. The information provided in relation to the digital services show that the supplier of these services was not MBFS. I recognise the supplier would likely fall under the same group as MBFS; however, I'm satisfied that they wouldn't be the finance provider, and in this case the supplier of the vehicle under the agreement.

Having considered the digital extras were separate to the finance agreement I don't consider that MBFS are responsible for their deactivation or cancellation. In addition, I've seen no evidence that MBFS provided the services and continued to receive monthly repayments for them following the settlement of the finance agreement.

In an email to the Investigator, following their initial assessment, Ms L raised several points, which included, but isn't limited to what she felt was omitted from the Investigator's assessment and the legislation and rules they didn't think was considered by them. I've considered all of what Ms L has said, however I've only addressed what I considered to be the main points relevant to this complaint.

Having done so, I'm satisfied that I've considered, addressed and commented where necessary on the relevant rules, guidance and legislation to conclude that MBFS have acted fairly in the circumstances of this complaint and so I won't be instructing them to take any further action in relation to it. Ms L may decide in the circumstances, to enquire about the cancellation of the digital services if they are still active or the reimbursement of payments made, if they still consider it to be an issue for them.

My final decision

My final decision is that I don't uphold Ms L's complaint about Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 10 October 2025.

Benjamin John
Ombudsman