

The complaint

X complains about charges he has been asked to pay by Mercedes-Benz Financial Services UK Limited ('MBFS') since he returned a car he was financing through an agreement with them.

X has been represented throughout this complaint but for ease, and because X is named on the finance agreement, I will refer only to X in this decision.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

X took receipt of a car in January 2021. He financed the deal through a hire purchase agreement with MBFS. At the end of the lease the car was inspected and collected and MBFS noted some damage that they believed to be beyond normal wear and tear. They sent X a bill and when X disputed the bill they reduced/removed some of the charges, but X didn't think they'd gone far enough.

He referred his complaint to this service and our investigator provided an opinion. She noted that the remaining charges were for the replacement of two alloy wheels, the refurbishment of another, and for a missing fast charging cable. She reviewed the photographs taken during the inspection but didn't think MBFS had been unreasonable to charge what they had.

As X disagreed, his complaint has been referred to me, an ombudsman, to make a 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.

I know it will disappoint Mr T, but I agree with our investigator's opinion of this complaint and for broadly the same reasons. I'll explain why.

The Financial Ombudsman is designed to be a quick and informal alternative to the courts. Given that, my role as an ombudsman is not to address every single point that has been made. Instead, it is to decide what is fair and reasonable given the circumstances of this complaint. And for that reason, I am only going to refer to what I think are the most salient points. But I have read all of the submissions from both sides in full and I keep in mind all of the points that have been made when I set out my decision.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I must make my decision on the balance of probabilities – that is, based on what I consider to be more likely than not to have happened, in the light of the available evidence and the wider surrounding circumstances.

I'm required to take into account the relevant, laws and regulations; regulators rules, guidance, and standards; codes of practice and, when appropriate, what I consider to have been good industry practice at the relevant time.

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

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).

Alloy wheels

The BVRLA guidance says:

"Scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable. Dents on wheel rims are not. Any damage to the wheel spokes, wheel fascia, or hub of the wheel is not acceptable."

The damage to the front alloy is beyond that standard, there is scuffing to the rim that is beyond 50mm and I think a charge to repair the alloy is a fair one.

MBFS have charged X for the replacement of two rear alloy wheels and X disputes that was necessary. I've seen the quotations X has provided from firms who have offered to refurbish the damage. MBFS said:

"The damage was too severe with metal missing to be repaired. This would have resulted in a considerable amount of metal being removed during the ground/polish down process, which would cause the alloys to become unstable and unsafe for use."

I don't think there's any dispute that the damage to the rear wheels is beyond the fair wear and tear guidance. What is at issue is MBFS's decision to replace the wheels and not to refurbish them. The damage was assessed by a third-party expert in return standards, and the photographs show the damage to be extensive. I don't think the experts X has provided quotations from can be considered totally independent as they would have been hoping to benefit from the work. X was able to refurbish any damage himself before the car was returned to MBFS but chose not to do so and in all of those circumstances, I don't think it would be fair to suggest the replacement charges were unmerited or insufficiently justified.

The fast-charging cable

In an email to MBFS on 2 February 2025, X explained that he still had the cable and could provide it. The car was inspected and collected on 15 January 2025 and businesses tend to sell car's on very quickly in order to minimise depreciation. I think by the time X reported having the cable it would have been too late and as the BVRLA say that cables must be present when the car is returned, I don't think MBFS have been unreasonable to levy a charge for replacement of it.

X says that MBFS didn't provide enough time or clear enough communication given his age and vulnerability. X says this may have been age discrimination under the Equality Act (2010). Only a court can decide if MBFS have breached the Equality Act (2010), but I take that into account when considering whether MBFS have been fair and reasonable. I've not seen that they denied X sufficient time to make his complaint, and I see that they provided him with his rights to refer his complaint to this service. I'm not persuaded I have sufficient evidence to suggest they disadvantaged X in any other way given his age and vulnerability.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 22 September 2025.

Phillip McMahon
Ombudsman