

The complaint

Ms K complains that Mercedes-Benz Financial Services UK Limited ('MBFS') made mistakes when handling the settlement of her finance agreement.

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.

Ms K took receipt of a car in February 2022. She financed the deal through a personal contract purchase agreement with MBFS. Ms K told MBFS that she wanted to purchase the car at the end of the lease period but when MBFS tried to take the final payment it failed. Her brother who was an authorised contact on the agreement, called MBFS a few days later and explained that Ms K now wanted to return the car but as the maturity date had passed MBFS were unable to do that. Ms K paid the settlement funds on 12 March 2025, and her brother called MBFS the next day to check that ownership of the car had been transferred. During the call MBFS's agent incorrectly advised that Ms K would need to contact them in order for the payment to be allocated to her account. She did so that day, but as the funds had already been allocated and correctly referenced there should have been no need for her to get in touch.

Ms K complained to MBFS, and they apologised but offered no compensation. When Ms K referred her complaint to this service our investigator thought that was reasonable.

Ms K disagreed, so her 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 Ms K, but I agree with our investigator's opinion and for broadly the same reasons. I'll explain why.

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.

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

There's no dispute that MBFS inconvenienced Ms K when she was trying to settle her account. I appreciate the concerns Ms K has raised and the inconvenience she was put to as there was no need for her to have to call MBFS. However, having considered the business' failings here I don't find them so significant that compensation for distress and inconvenience is warranted. In my view, an apology was an appropriate and sufficient resolution in this instance.

I understand that Ms K was unhappy that MBFS's agent was working from home, but I don't find that unusual. MBFS have explained that their agents comply with data protection policies and that they have processes in place to monitor that. I've not seen evidence that wasn't the case or that Ms K's data has been shared improperly.

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 Ms K to accept or reject my decision before 24 September 2025.

Phillip McMahon
Ombudsman