

The complaint

Mercedes-Benz Financial Services UK Limited ('Mercedes') provided Mrs J with a Hire Purchase Agreement in 2023. It had a credit amount of £47,245. Mrs J says the credit was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

Having considered everything, I'm not upholding Mrs J's complaint. I'll explain my reasoning below:

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website and I've taken this into account in deciding Mrs J's case.

I've decided the credit was provided fairly because:

- I don't think the checks Mercedes did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Mrs J's financial situation.
- If Mercedes had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Mrs J.
- Based on the information Mrs J has provided about her circumstances at the time, there was nothing to suggest Mrs J was likely to be unable to sustainably repay what she had agreed to. I say this because I have seen no evidence that Mrs J had a recent history of defaults, late payments or CCJ's on her existing accounts. And those accounts appear to have been well managed, including Mrs J's bank accounts. So, whilst the agreement was for a significant sum, I consider that the evidence provided in this case suggests that, at the time the agreement was entered into, the credit was not unreasonable considering the above.
- I don't think Mercedes acted unfairly in any other way.

This means I don't think Mercedes did anything wrong when it provided the Hire Purchase Agreement to Mrs J.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Mercedes lent irresponsibly to Mrs J or otherwise treated her unfairly. I haven't seen

anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mrs J hoped for. But for the reasons above, I'm not asking Mercedes to do anything to put things right.

My final decision

My final decision is that I'm not upholding this complaint about Mercedes-Benz Financial Services UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 27 February 2026.

Douglas Sayers
Ombudsman