

The complaint

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

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.

Around August 2021, Miss B entered into a hire purchase agreement with MBFS to acquire a new car. In May 2025, Miss B exercised her right to voluntary terminate the agreement and the car was inspected upon collection.

The inspection was carried out in poor weather conditions, but some damage was identified beyond normal wear and tear. Miss B agreed with the damages identified.

The car was then again inspected in better conditions and MBFS sent Miss B an invoice. Miss B disputed the charges, and MBFS reduced or removed some of them, but Miss B didn't think they'd gone far enough. She said she was not given a fair opportunity to witness or dispute the charges added on the invoice and said that the evidence is low quality and doesn't clearly show the alleged damage.

Miss B complained to MBFS and was unhappy with its final response. She referred her complaint to this service, saying she disputed two charges, one for a tyre having the incorrect speed rating, of £149.22, and one for a dent to the front bumper of £260.

It appears Miss B was initially minded to accept a charge of £260 for a dent to the right rear quarter panel, but she later made it clear she also disputed this.

Our investigator provided her opinion. Taking into consideration all the evidence from both inspections, she didn't think MBFS had been unreasonable to charge what they had.

As Miss B disagreed, her complaint has been referred to me 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 Miss B, but I've reached the same conclusion as our investigator and for broadly the same reasons, and I don't think this complaint should be upheld. I'll explain why.

Firstly, I'd like to explain to both parties that I might not comment on every individual point raised or every piece of evidence. Miss B and MBFS can be reassured that I've carefully thought about all the information available. But I'm going to focus on the crux of the

complaint and what I consider to be the key facts in this decision. This reflects the informal nature of our service.

Where the evidence is incomplete, inconclusive or contradictory, 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.

When thinking about what's fair and reasonable, I consider the relevant laws and regulations; regulators' rules, guidance, and standards; codes of practice and, when appropriate, what I consider having been good industry practice at the relevant time.

Miss B acquired her car under a regulated consumer credit agreement and as a result our service can look into complaints about it.

The industry guidelines for what is considered fair wear and tear when cars are returned at the end of an agreement, are provided by the British Vehicle Rental and Leasing Association (BVRLA). Although MBFS aren't members of BVRLA, they are a recognised body who provide guidance on fair return standards. In this case I've reviewed BVRLA guidance against MBFS' own Vehicle Return Standards (VRS).

Tyre:

The BVRLA guidance says:

“Any replacement tyres must be to the same specification as those originally supplied on the vehicle.”

The VRS says:

“Your vehicle must conform to the original specification of the vehicle.”

In this case, the car was originally supplied with tyres of a higher speed rating than the replacement tyre fitted at return, meaning the tyres no longer matched original specification.

I've carefully considered Miss B's view that the replacement tyre fitted met legal requirements and exceeded the manufacturer's minimum speed rating. And I appreciate her point that the tyre is safe and roadworthy. But I find the tyre did not meet the guidelines and so MBFS could charge her for this.

Bumper and rear quarter panel:

MBFS' VRS state:

“Acceptable:

*Minor body dents, typically those caused by door-to-door contact, provided that:
a) they are less than 13mm (1 /2) in diameter”*

“Not Acceptable:

Any chipping and scratching of paintwork that has penetrated the base coat”

The BVRLA guidance says,

“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. Chips within dents are not acceptable.”

I've looked carefully at the videos and photographs provided by MBFS, and I'm satisfied the two areas of damage exceed the permitted level.

In relation to the front bumper, I can see a clear and obvious mark that has been highlighted in the inspection photos. I'm satisfied on balance this damage penetrated the base coat of the paint. It follows I find this falls out of the fair wear and tear guidance.

In relation to the quarter panel, I've seen a photo of a dent taken with a zebra board and a measurement next to it. I'm satisfied this dent is larger than 15mm in diameter. It follows I'm satisfied this also falls outside of fair wear and tear.

So, I'm satisfied these charges have been applied fairly and in accordance with the industry guidelines.

Miss B says in her complaint that she was asked by the collector to sign the inspection report to acknowledge the inspection had been conducted and that she was entitled to rely on the initial collection inspection as the definitive record. I have reviewed the report that Miss B signed on collection of the car, and it states *“Result: Second Inspection Required”*. It also states under Miss B's signature:

“Parts are costed at (manufacturer name) list price, any shown as “TBC” on this report will be added to any charges shown. Vehicles may be subject to a further inspection at a De-fleet centre and may be subject to additional charges.”

Considering this wording, I'm satisfied Miss B ought reasonably to have been aware that a further inspection could take place and that additional charges might be applied following the initial inspection.

I also consider this approach to be consistent with industry guidance. The BVLRA guidance explains that while customers are given the opportunity to agree the car's condition at collection, the leasing company may then carry out a final assessment to determine any charges payable.

Taking all this into account, I'm satisfied MBFS acted in line with normal industry practice in carrying out a further inspection and applying charges based on that assessment.

I want to reassure Miss B that I've carefully considered all of the points she raised. And I know she will be disappointed with the outcome of her complaint, but I hope she understands why I've reached the conclusions that I have.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 16 March 2026.

Shannon O'Brien
Ombudsman