

The complaint

Mrs F complains about charges when she returned her car at the end of a hire purchase agreement provided by Mercedes-Benz Financial Services UK Limited (“MBFS”).

What happened

In March 2022, Mrs F acquired a used car using a hire purchase agreement with MBFS. The agreement was for 36 months.

When the agreement came to an end, Mrs F handed the car back to a third-party company, acting on behalf of MBFS and it was inspected for damage in April 2025. Mrs F was given a vehicle condition report upon collection of the car, which she signed, and the total cost for damage was recorded as “TBC”, as some missing parts needed to be costed at a later date. The report also said that the car may be subject to a further inspection at a De-Fleet centre and may be subject to additional charges. Mrs F said she was told that she would have to pay around £500 in total for damage to the car.

MBFS then sent Mrs F an invoice following a further inspection of the car and told her she owed £3,126.06 for damage to the car. Mrs F, unhappy with the charges, complained to MBFS in April 2025.

MBFS responded to Mrs F in May 2025 and said they’ll uphold an element of her complaint, as they thought they wrongfully charged for some items, such as the right-hand front door aperture seal and the compressor. They also gave Mrs F a £50 reduction as a gesture of goodwill. They also explained why they felt the charges were outside of their vehicle return standards (“VRS”).

This meant the remaining charged damages consisted of:

<i>Front bumper – non-professional repair</i>	£210.00
<i>Tailgate – non-professional repair</i>	£260.00
<i>Left-hand bumper grille – insecure</i>	£35.00
<i>First aid kit - missing</i>	£63.50
<i>Rear bumper - scratch</i>	£210.00
<i>Left hand door - dented</i>	£260.00
<i>Right hand rear lamp - scratch</i>	£50.40
<i>Tyre – left-hand front - gouge</i>	£149.22
<i>Tyre – left-hand rear - gouge</i>	£149.22
<i>Alloy – left-hand front – replacement</i>	£625.00
<i>Alloy – right-hand front – replacement</i>	£625.00
<i>Alloy – right-hand rear - refurbishment</i>	£110.00
TOTAL	£2,697.34

Mrs F, unhappy with MBFS’ response, referred her complaint to our service. She said she felt the charges were excessive and inconsistent.

Our investigator found that MBFS had charged fairly for the damages and missing items to the car, and so, didn't uphold Mrs F's complaint.

Mrs F disagreed. Among other things, Mrs F didn't think it was fair that there was a big discrepancy between what she was initially quoted and the final invoice she was sent. Mrs F believed the initial inspection was sufficient in determining the condition of the car.

As Mrs F disagreed with the investigator's findings, the complaint was passed to me to decide.

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 done so, I'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mrs F complains about a car supplied to her under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mrs F's complaint about MBFS.

Mrs F was charged for several things, so I'll consider these in turn. But I've firstly thought about whether MBFS could charge her for damage. Looking at the agreement she took out, it says:

"... you must return the vehicle in line with Vehicle Return Standards."

"If you fail to take reasonable care of the vehicle and fail to maintain the vehicle in accordance with the manufacturer's guidelines and/or the Vehicle Return Standards, you will have to pay our costs... either of repairing and/or refurbishing the vehicle, or the cost of the consequent reduction in the sale value of the vehicle, as compensation."

So, considering this, I think Mrs F agreed to return the car in a condition in line with the VRS and she agreed to be charged if this wasn't the case.

Mrs F as said that she doesn't think it is fair that the car was initially inspected and she was given an estimated quote, only for it to have been inspected again at a different site, and the amount she owed to have significantly increased. While I appreciate Mrs F's concerns here, I don't think MBFS has done anything wrong, and I'm satisfied they have acted in line with their terms and conditions. I say this because, the terms explain that the car may be inspected at a De-Fleet centre and the condition report Mrs F signed upon collection also makes it clear this may occur and that additional charges may apply. And given there was only a few days in between both inspections, I'm not satisfied that the damage to the car and/or missing items occurred while the car wasn't in Mrs F's possession.

I'll go on to consider if the charges were fairly applied. As well as the VRS, I've also considered the British Vehicle Rental and Leasing Association ("BVRLA") guide to fair wear

and tear. I understand MBFS are not BVRLA members, but I'm happy this is a useful benchmark when considering what is fair and reasonable.

In relation to the front bumper, the VRS says:

"Not acceptable... Previous body repairs and paint rectification if there is evidence of poor colour match, ripples..."

The BVRLA says:

"Obvious evidence of poor repair, such as... rippled finish or poorly matched paint, is not acceptable."

I've reviewed the photo from the second inspection of the car. The photo supplied clearly shows rippling or a blotchy patch of paint on the front bumper. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the tailgate, I've reviewed the photo from the second inspection of the car, as well as the video taken. A visible ripple can be seen on the paintwork to the tailgate. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the left-hand bumper grille, the VRS says about bumpers and body mouldings:

"Not acceptable... loose, cracked, distorted... or split bumpers and mouldings that require replacement, plastic welding or painting... repairs not conforming to original finish and specification."

The BVRLA says:

"Obvious evidence of poor repair... is not acceptable."

The photo from the inspection shows that there is a missing clip or bolt to a part of the bumper grille. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the missing first aid kit, the VRA says:

"You must return the vehicle together with everything originally supplied with the vehicle..."

The BVRLA says:

"...replace missing equipment and accessories before the vehicle is returned..."

As the first aid kit wasn't present in the car at collection, I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the rear bumper scratch, the VRA says:

"Acceptable... Light surface scratches not through the top coat which can be removed by polishing/touch up."

The BVRLA says:

“Surface scratches of 25mm or less where the primer or bare metal is not showing are acceptable provided they can be polished out.”

The photo supplied in the inspection shows a scratch or scuff to the paintwork of the rear bumper, over 75mm in length. While the VRS is silent to the size of a scratch which is permitted under their guidelines, I'm satisfied, given what the BVRLA says, and the size of the scratch, that this falls outside of normal wear and tear, and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the left-hand door, I have already explained above what the VRS and BVRLA say about poor paintwork and repairs being completed. The VRS and BVRLA respectively, also say in relation to dents:

“Not acceptable... Dents on swage lines or folder edges...”

“Dents... on the swage line of any panel are not acceptable.”

Having seen the photo from the inspection of the door, I can clearly see a dent in the door, which appears to be on the swage line. Furthermore, the dent has had paint applied to it, which is poorly matched to the original paint of the car. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the scratch on the right-hand rear headlamp, the VRS says:

“Acceptable... Headlamp lenses with minor chips, which do not detract from the overall appearance of your vehicle...”

The BVRLA says:

“Minor scuff marks or scratches of 25mm or less are acceptable.”

From the photo supplied from the inspection, I can see a scratch on the rear headlamp, over 100mm in length. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the damage to the tyres, the VRS says:

“Not acceptable... Any gouge, crack, cut, torn or plugged tyre wall.”

The BVRLA says:

“There must be no damage to sidewalls or tread, or any cracking.”

I have seen the photos to both the left-hand front and rear tyres. Both tyres show visible gouging, where parts of the sidewall of the tyre are missing. I'm satisfied these fall outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for it.

In relation to the damage to the alloy wheels, the VRS says:

“Not acceptable... Cracked or distorted wheel trims. Scuff chips and scratches exceeding 25mm.”

The BVRLA says:

“Dents on wheel rims and wheel trims are not acceptable.”

Scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable.”

The photos of both the left-hand front and right-hand front alloy wheel show significant damage across the rim edge, which I'm satisfied are both larger than 50mm in total circumference. On both alloy wheels, parts of the metal alloy are missing. Given the severity of the damage to both alloy wheels here, I'm satisfied these fall outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for their replacement.

The photo of the right-hand rear alloy wheel shows more than 50mm of light scuffs along the wheel rim edge. No metal alloy appears to be missing from the photo supplied. I'm satisfied this falls outside of fair wear and tear and it follows that I think MBFS has fairly charged Mrs F for its refurbishment.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Mercedes-Benz Financial Services UK Limited to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 11 December 2025.

Ronesh Amin
Ombudsman