

The complaint

Mr S complains about charges he was asked to pay by Mercedes-Benz Financial Services UK Limited (MBFS) when he returned a car he had been financing through an agreement with them.

What happened

Mr S took receipt of a car in June 2021. He financed the deal through a contract hire agreement with MBFS. After he returned the car MBFS charged him for damage they had identified on collection, as follows:

Missing literature pack	- £115.75
Broken parcel shelf	- £407
Replacement tyre	- £120.40
Steering wheel replacement	- £1,154

Mr S complained to MBFS as he didn't think the charges were fair, but they explained that they had inspected the car against their Vehicle Return Standards and they were satisfied the damage was beyond normal wear and tear. When Mr S referred his complaint to this service our investigator also thought the charges had been fairly applied.

Mr S disagreed. He said the damage to the steering wheel was unavoidable and he asked for a decision by an ombudsman.

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 S, but I agree with our investigator's opinion.

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.

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

The terms of the finance agreement held Mr S responsible for keeping the car in good condition. He would be responsible for any damage if the car wasn't returned in the correct condition.

MBFS have their own Vehicle Return Standards (VRS) but 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). I think it's only fair to consider that standard in tandem with the VRS, when considering if the damage in the inspection reports can fairly be considered to be beyond normal wear and tear and if it was fair for MBFS to charge for the missing items.

The missing literature pack

The BVRLA guidance says, "*All vehicle documentation must be intact and present in the vehicle when it is returned.*"

MBFS have explained that all loose items needed to be in the vehicle when collected and that seems in line with the BVRLA industry guidance. I don't think a charge was unreasonable.

Broken parcel shelf

The BVRLA guidance says, "*Interior fittings ...must be present, intact and free of damage.*"

The VRS says, "*Broken or damaged parcel shelves and load covers will not be accepted.*"

The inspection photograph shows the parcel shelf bracket is broken so I don't think a charge has been unreasonable.

Tyre

The BVRLA guidance says, "*All tyres...must meet the UK legal requirements and comply with the vehicle manufacturer's recommendations of tyre type, class, size and speed rating for the vehicle. All replacement tyres must be the same specification as those originally supplied...*"

The VRS says "*The tyres should match across the axle and be an approved size, class and of premium brand*".

The right-hand rear tyre had the incorrect speed rating and I think MBFS were therefore reasonable to levy a charge.

The steering wheel

Although I couldn't find any specific guidance on the steering wheel in the BVRLA guidance I think it's guidance that "*Interior fittings ...must be present, intact and free of damage*" is relevant here.

The VRS says that "*Scuffs, scratches and dents*" and "*signs of neglect or mistreatment*" are unacceptable of interior fittings.

There's no disagreement that the steering wheel leather is flaking, and I don't think normal use would include deterioration to the point where the surface of the wheel fails. On balance, I don't think MBFS were unreasonable to charge Mr S for the wheel's replacement.

While I understand Mr S feels MBFS have overcharged him for these issues I think they are in line with the charges they usually make under their charging matrix and with what I think are industry norms considering other complaints we've seen of a similar nature. I don't think, in those circumstances it would be fair to suggest Mr S has been overcharged and as Mr S

had an opportunity to repair faults before the car was collected, I don't think MBFS were unreasonable to deprive him of that opportunity after collection.

Overall, I'm not persuaded MBFS have done anything wrong here.

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 Mr S to accept or reject my decision before 19 January 2026.

Phillip McMahon
Ombudsman