

## The complaint

Ms F complains about charges made by Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance (MBFS) when she returned her vehicle.

## What happened

Ms F entered into a hire purchase agreement for a new vehicle with MBFS in September 2021. Ms F opted to return the vehicle when the agreement ended in September 2025 and took it to a Mercedes-Benz dealership.

Ms F said the dealership inspected the car, and they discussed some paintwork issues with her that she'd had repaired using a Mercedes-Benz repairer. Ms F said she signed a document at the end of the inspection, but this wasn't explained to her, she wasn't told she needed to scroll through it, and she felt pressured to sign it quickly. Ms F said no discussion was had about the wheels of the car.

Collection agents collected and inspected the car for MBFS in September 2025. The report from this inspection notes a number of areas of damage that they considered were outside of the vehicle return standards as follows:

Left hand front wheel - refurb alloy wheel £110  
Right hand front wheel – Replace alloy wheel - £592.72  
Left hand front wing – Refinish due to poor paint finish - £210  
Left hand front door – refinish due to poor paint finish - £210

MBFS didn't ask Ms F to pay the charges for refinishing the paint, as repairs had been completed under a Mercedes-Benz repair scheme. They asked Ms F to pay a total of £702.72 for the damaged wheels.

Ms F complained to MBFS about this charge in September 2025. She said damage to the wheels wasn't discussed when she returned the car, and she wasn't given the opportunity to read the report which prevented her from challenging the findings. Ms F said no evidence had been provided that an alloy wheel needed replacement.

MBFS sent Ms F their final response to her complaint in October 2025. They said the images provided supported the damage, and they confirmed a wheel had been replaced. They said the charges were in line with the vehicle return standards and maintained that they were payable by Ms F. They said the dealership was separate from MBFS and Ms F would need to raise any concerns about the inspection with them separately.

Unhappy with MBFS's response, Ms F brought her complaint to this service for investigation. She said there wasn't enough evidence to show the damage was present on the car when she returned it. Ms F said no concerns were raised about the wheels when she returned the car, or when it was serviced shortly before.

Our investigator gave their view that the dealership was separate to MBFS, and MBFS had completed their own inspection of the vehicle. They said the agreement allowed them to do

this, and they were satisfied, based on the evidence, that the damage was recorded fairly. They thought MBFS had given Ms F clear information about requirements for returning the vehicle, and that the charges had been applied fairly. They didn't ask MBFS to do anything more.

Ms F didn't agree. She said, in summary, evidence from a later inspection couldn't be relied on, the document she'd signed hadn't been explained, no damage had been noted at a service prior to returning the vehicle, and she wasn't given an opportunity to challenge any damage or charges.

As an agreement can't be reached, the case has been passed to me for 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 hope that Ms F won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Ms F should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all her submissions before arriving at my decision.

Ms F signed a hire purchase agreement in September 2021, the terms of which set out that the vehicle must be returned at the end of the agreement in line with the vehicle return standards. The agreement sets out the acceptable return standards, beyond which it allows MBFS to charge for the costs of either repairing and / or refurbishing the vehicle, or the cost of the consequent reduction in the sale value of the vehicle.

It's clear from the agreement that Ms F was responsible for returning the car in good condition.

Ms F has raised concerns with the inspection completed by the dealership, and I think it's important to set out that they're a separate entity from MBFS, and so I can't consider their actions as part of this complaint. Ms F may wish to raise any concerns about the dealership's inspection directly with them.

That being said, I have seen a copy of the inspection report completed by the dealership and whilst Ms F had raised concerns with how this report was presented to her, I recognise that it does note damage to the alloy wheels.

The agreement between Ms F and MBFS sets out that when the vehicle has been returned to them, a vehicle return standards inspection will be carried out at a 'nominated defleet centre'. So, I'm satisfied that regardless of any inspection completed when Ms F returned the car to the dealership, MBFS were entitled to complete an inspection of their own. And so, I don't think it was unreasonable for MBFS to inspect the car again.

I've seen a copy of the report from this inspection and note that it took place the day after Ms F returned the car. The damage noted is the same as that contained in the dealership inspection, and so I'm satisfied that, on balance, the damage was present at the time that Ms F returned the car.

The report records the damage outside of fair wear and tear, and the charge to Ms F, as follows:

Left hand front wheel – Rim damaged over 50mm – refurb alloy wheel - £110  
Right hand front wheel – Metal missing – replace - £592.72

Along with the vehicle return standards set out in the agreement, there are industry standard guidelines published by the British Vehicle Rental and Leasing Association (BVRLA) which set out what is considered to be fair wear and tear in respect of a hired vehicle. So, I have also considered these in deciding what it's fair for MBFS to charge on return of the car.

The hire agreement says that minor scuffing or damage under 25mm to the vehicle alloy or steel rim edge or wheel face is acceptable. The BVRLA fair wear and tear standards say that scuffs up to 50mm on the total circumference of the wheel rim and on alloy wheels/wheel hubs are acceptable.

I've reviewed the photos provided by the collection agents and I'm satisfied that these show damage to two alloy wheels, both over 50mm. So, I'm satisfied that this is outside of both the BVRLA guidelines and the MBFS vehicle return standards, and MBFS can fairly charge for this damage.

MBFS have said they paid for the replacement of a wheel that couldn't be repaired due to missing metal that would've made a repair unsafe. I'm satisfied that the photos provided show the significance of the damage, and so I'm satisfied that MBFS have fairly charged for one replacement and one repaired wheel.

Ms F has said that if the damage had been noted when she returned the car, she'd have considered having it repaired at a lesser cost than she is now being asked to pay. I'm satisfied that MBFS provided Ms F with the vehicle return standards in good time before the agreement ended, and that she had an opportunity to review these and the vehicle, and to make any necessary repairs prior to handing the vehicle back.

Ms F has said that no damage to the wheels was identified at a service completed shortly before the vehicle was returned. I haven't seen any evidence of this service, but I recognise that a vehicle service is generally concerned with the health of the vehicle rather than compliance with the vehicle return standards.

In summary, I'm satisfied that Ms F was responsible for returning the car in good condition at the end of the agreement, that she had the opportunity to review the vehicle return standards and the car in good time before handing the car back, that the damage was present at the time the car was returned by Ms F, and that MBFS can fairly charge for it under the terms of the agreement. I'm satisfied that the charges were fair and remain payable by Ms F.

### **My final decision**

For the reasons I've explained above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 10 April 2026.

Zoe Merriman  
**Ombudsman**