

## **The complaint**

Mr A complains about end of contract charges when his agreement with Lex Autolease Ltd ended.

## **What happened**

In May 2018 Mr A was supplied with a car and entered into an agreement with Lex. The agreement was for 24 months. Mr A kept the car on an informal extension for 6 months before formally extending the agreement for a further 6 months. The car was collected in May 2021.

Following collection, Lex invoiced Mr A for excess mileage charges. Mr A disputed the charges. In response, Lex said the excess mileage had been correctly charged.

Mr A referred his complaint to this service. He said the agreement wasn't clear and he felt there had been poor communication about the mileage allowance.

I issued a provisional decision in which I upheld the complaint. I explained how the mileage allowance had been agreed and said that I thought the excess mileage charges were correctly calculated. But I said that I didn't think the call handler at Lex had made it clear to Mr A that the lower mileage allowance would affect his previous agreement, or that the mileage allowance over the entire agreement would be 7000 miles per year.

Lex had already accepted that it could have made things clearer and had offered compensation of £50. I explained why I didn't think this sum was enough to compensate Mr A for the lack of clarity in explaining the mileage allowance and said it should be increased to £150.

I invited both parties to let me have any further evidence or arguments they wished to raise.

Lex initially queried why I had increased the compensation but later accepted my provisional decision.

Mr A said he thought he should be awarded more compensation. He also said he wanted the excess mileage charges cancelled.

## **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've taken account of what Mr A has said but having done so, my decision remains the same as my provisional decision. Lex could have been clearer in its communications with Mr A but the mileage allowance is set out in the agreement and Mr A signed this agreement and agreed to be legally bound by its terms. Mr A has exceeded the mileage allowance and Lex has acted in line with the agreement in charging excess mileage.

**Putting things right**

To put things right Lex Autolease Ltd should pay compensation of £150 to Mr A. Mr A remains responsible for paying the excess mileage charges.

**My final decision**

My final decision is that I uphold the complaint. Lex Autolease Ltd must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 June 2022.

Emma Davy  
**Ombudsman**