

The complaint

Mr W complains that Mitsubishi HC Capital UK PLC trading as Novuna Vehicle Solutions (Novuna) charged him for excess mileage when it had agreed that it wouldn't do so. He would like the excess mileage fee waived.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions: -

- I appreciate Mr W's situation. He doesn't dispute that, according to the terms of the Hire Purchase Agreement, he owes excess mileage at the end of his contract. However, he says he agreed a purchase price for the car of £11,478 on the basis that the excess mileage would be waived. He says he wouldn't have agreed to buy the car had this not been the case.
- I have carefully considered all the correspondence between Mr W, Novuna and the dealership. Novuna advised Mr W by letter in September 2023 that if he bought the car excess mileage may be charged if he was over his contractual mileage. There is no mention in this letter of any option to waive excess mileage.
- Mr W has told us he got two purchase quotes, one based on actual mileage for £12,500, and one based on the contract mileage of 50,000 miles for £14800. I have looked at the email correspondence between the dealership and Mr W, and I have also listened to the two calls Mr W had with Novuna after he received the two quotes.
- The correspondence from the dealership makes no reference to quotes including or excluding excess mileage accrued. On 19 October 2023 Mr W accepts an offer from the dealership of a purchase price of £14775. He states he is happy to pay the higher price as it is 'based on what the mileage should have been based on 12500 per year'. He asks the dealership to confirm this and how he should proceed. The dealership replies explaining the administrative process to go ahead but makes no referenced to mileage. Whilst I appreciate Mr W believes in paying the higher figure quoted, he wouldn't then be charged for excess miles this isn't specifically stated by either party.
- However, I think this correspondence is superseded by the two phone calls I listened to which took place on 19 October 2023. The second call simply is in relation to the cost of excess miles. In the main call Mr W asks, having got his two quotes, if to buy the car, this must be based on the actual mileage driven with a charge for the excess miles. The call handler clearly twice states that Mr W would be liable for the excess mileage payment as he has gone over the mileage on the contract. When Mr W

expresses his dissatisfaction, she advises him to put a proposed offer to the dealership but stresses she couldn't guarantee any offer would be accepted.

- I have looked at the subsequent correspondence between Mr W and the dealership. Mr W asks if it's possible to renegotiate the purchase price as he feels it's too high in comparison to similar cars – he makes no reference to excess mileage on the car. The dealership comes back to say, after reevaluating the price of the car, it was happy to drop the price down to £11478.80. Similarly, it makes no reference to excess mileage. So, there is no mention by either party to say that this price included excess mileage incurred on the contract.
- Whilst the quotes Mr W received led him to believe he could agree a price that included excess miles, it was made clear to Mr W in the relevant phone call that this was not an option.. As the subsequent offer, and acceptance, of a purchase price of £11478 made no reference by either party to excess mileage I have no evidence to say that this figure bought out the excess mileage accrued. On that basis I can't reasonably ask Novuna to waive this

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 Mr W to accept or reject my decision before 5 December 2024.

Bridget Makins
Ombudsman